

OVERSEAS NEWS

Michelin seeks FF 4bn loan from French banks

BY DAVID MARSH IN PARIS MICHELIN, the leading French private-sector tyre company which is making large workforce cuts after recent heavy losses, has started talks with French banks on raising a FF 4bn (594m) loan to put its finances on a sounder footing.

News of the loan operation, which could be similar to the low-interest credit packages put together by the banks for newly-nationalised industries in 1982, comes at a time when France's two car groups, Renault and Peugeot, are also facing severe financial problems.

turing, is participating in talks between Michelin and the banks, bankers said yesterday. This is believed to represent the first time that the state has become significantly involved in funding for Michelin, the world's second largest tyre-maker after Goodyear of the U.S.

Row looms over interferon patent

A BATTLE is looming over the patent rights to interferon, which is made by genetic engineering and has proved successful in combating some cancers and viral diseases, as a result of a European Patent Office decision this week.

It took effect from August 25, but can still be contested over the next nine months. Hoffman-La Roche, the multinational Basle-based drug company, which is backing the claims of a Californian biotechnology research company, Genentech, to the invention, seems certain to challenge the decision.

Schering Plough, of the U.S., Biogen's exclusive licensee for alpha interferon, is expected to launch the drug under the brand-name Intron within a few months. Although it has proved disappointing in the treatment of all but a few rare forms of cancer, the commercial product is expected to have a brisk sale among medical researchers in attempts to combat a wide variety of viral illnesses.

Reagan widens lead

A POLL released on Thursday shows Republicans Mr Ronald Reagan and Mr George Bush with a 23-point lead over Democrats Mr Walter Mondale and Ms Geraldine Ferraro in the November race for the White House, AP reports from New York.

Unrest worsens in Andhra Pradesh

BY JOHN ELLIOTT IN HYDERABAD

POLITICIAN'S support of the new administration in the southern Indian state of Andhra Pradesh will be "bought" with gifts of 500,000 to 1,000,000 during the coming months, according to local opposition party leaders as violent protest flared up in the state.

Both houses of parliament in New Delhi are to debate the Andhra Pradesh events next week. This concession was greeted by fuming opposition members yesterday, when they refused to allow normal business unless they were permitted to discuss the dismissal of the Chief Minister of the state. Each house had to be adjourned three times by the chairman as opposition members angrily demanded a debate. At one stage, Congress Party and opposition members nearly came to blows in the well of the lower house. All opposition parties attacked Mr Indira Gandhi, the Prime Minister, for the "unconstitutional" dismissal of Mr Rama Rao.

Now the money will come out of the treasury to swing the assembly votes. The figures likely to be offered are five lakhs of rupees (Rs 500,000 or 233,000) to 15 lakhs, said Mrs Rada Mishra, a former Congress Party member and New Delhi MP.

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El Salvador in World Court plea

El Salvador has asked the World Court for permission to intervene in the case brought by Nicaragua against the U.S. in which it protested at U.S. military activities in Nicaragua, the court said yesterday. Renter reports from The Hague.

Delhi seeks to extend its rule of Punjab

BY K. K. SHARMA IN NEW DELHI

THE INDIAN Government yesterday tabled in parliament a controversial Bill to amend the constitution, so as to extend rule from Delhi to the troubled state of Punjab for another year after October 5.

The government in Delhi has announced that the Bill to extend central rule for another year will apply only to the Punjab and the constitutional amendment would not be used as a precedent, or in the case of other states.

Such bribes are not uncommon in Indian politics, where ruling parties are often set up and removed from power with the normal political process.

The opposition in Delhi had announced its intention to oppose introduction of the constitutional amendment. But all opposition members had walked out in protest against the dismissal of Mr N. T. Rama Rao as chief minister of Andhra Pradesh on Thursday, and the government had no difficulty in presenting the Bill to the House in their absence.

Democracy 'weakened'

Costa Rican President Luis Alberto Monge yesterday accused his parliament and left-wing extremists of weakening the country's democracy, in a broadcast address to announce four Cabinet changes after a mass resignation last week. Sr Monge said deputies had held up crucial legislation.

Hawke reinstates 'bear' minister

BY COLIN CHAPMAN IN SYDNEY

MR MICK YOUNG was last night cleared of any impropriety and restored to the Hawke Cabinet one month after he was forced to stand down because of Customs irregularities.

Investigator, Mr Michael Black, QC. The inquiry was ordered after it was revealed that Mr Young had made a false Customs declaration after returning from an official trip to London, failing to disclose details of goods carried back on behalf of his wife, who was on a longer holiday trip in Europe.

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Brazilian oil output slowed

BRASIL'S rapidly growing oil production programme — which contributes greatly to reducing its import bill and so helps the balance of payments — has been set back by a fire on its most productive offshore platform.

Madrid stands firm on ETA extradition

THE MADRID Government's determination to keep up its campaign for extradition of ETA terrorists from France, which has sparked off fresh tension in both Spanish and French Basque regions, was reaffirmed yesterday by Sr Alfonso Guerra, deputy prime minister.

Italy to release hundreds of suspected criminals

HUNDREDS of suspected criminals in Italy are to be released from preventive custody within the next few days as a result of a law which came into effect yesterday, reducing the period of timesuspense may be held while awaiting trial.

Archbishop 'not Nazi'

A Romanian Orthodox Archbishop who was deported by Washington for war crimes has denied ever being a Nazi. Mr Valerian Trifa, former head of the Romanian American Orthodox Church, arrived in Lisbon on Tuesday and sought permission to settle in Portugal, Renter reports from Lisbon.

Gaddafi plans summit

Libyan leader Colonel Muammar Gaddafi has proposed a summit meeting in Tripoli of the five north-west African states to discuss the Libyan-Moroccan unity accord signed on Monday. Arab diplomats in Tunis said yesterday. Renter reports from Tunis. Col Gaddafi proposed the meeting for September 1 when he met Tunisian officials on Tuesday to inform them of the accord. Tunisia made no public comment on the agreement, but officials greeted the news with reserve and scepticism.

Uruguay nomination renounced

BY MARTIN ANDERSEN IN BUENOS AIRES

SR WILSON Ferreira Aldunate, the Uruguayan opposition leader, has relinquished from his jail cell his presidential nomination for the first elections to be held in Uruguay for 18 years.

Ecuador pursues new finance

QUITO — Ecuador has begun talks with international Monetary Fund on a new financing agreement, as part of moves to reschedule its foreign debt, which totals \$6.68bn (£2bn), Sr Francisco Sweatt, Finance Minister in the newly-established administration, said.

Sweden industry sets record

SWEDEN'S industrial production has set a record, according to Statistics Sweden. Output for the first six months stood two percentage points above the country's last peak production period in mid-1974.

Kurds attack police posts

TURKISH TROOPS were said by the Government yesterday to be engaged in a widespread operation to capture Kurdish extremists who launched at least two separate attacks on police outposts on Tuesday in the east of the country.

Jaffa bomb blast

A bomb blast at a bank in the Sri Lanka town of Jaffna late on Thursday night shattered two days of calm in the Tamil-dominated north of the island, official sources said yesterday. Renter reports from Colombo.

Tony Walker reports on the problems facing an international task force

On the hunt for mystery mines in the Gulf of Suez

A total of six ships have been damaged by explosions in the Gulf of Suez since the mine scare started early last month. The first was a Soviet Union ship which suffered minor damage on July 2.

been recovered by now. Other possibilities include the moored buoy mine, either magnetic or acoustic, or, considered more likely, a version of the ground mine that sinks to the bottom and is activated by the sound and turbulence of a ship passing overhead.

The assistance of U.S. mine warfare experts, have been scouring the Gulf of Suez for several weeks with only limited success. An Egyptian minesweeper detonated a mine on Thursday in the Gulf of Suez.

Bank of Scotland BASE RATE

Bank of Scotland announces that, with effect from 20th August, 1984, its Base Rate will be decreased from 11% per annum to 10½% per annum

BANK OF SCOTLAND advertisement containing logo and contact information for various branches.

Minesweeping: a vessel trails wires to detonate mines in the water and sometimes trails a device which creates a magnetic field as big as a large ship to activate magnetic mines.

UK NEWS

Insults and £1m prize boasts fly in Fleet Street

INSULTS and boasts of £1m prizes were swirling round Fleet Street last night as Britain's top papers mobilised for an all-out circulation war.

Mr Robert Maxwell, the proprietor of Mirror Group Newspapers, told a Press conference yesterday morning that he is spending between £5m and £6m in an effort to boost sales.

Mr Maxwell said 70 per cent of the Mirror's revenue came from sales. He aimed to put the Mirror's sales 100,000 ahead of The Sun's, he said.

First UK-made compact disc players launched

THE FIRST compact disc players made in the UK have been launched by two specialist hi-fi companies based in Cambridge.

Squeeze curbs car dealers' fighting spirit

THE CAR wars so far this August have failed to match the ferocity of the past two years' sales booms.

Dublin sees RUC as unacceptable to Catholics

IRISH Government ministers now believe that the Royal Ulster Constabulary has no hope of being accepted by the Roman Catholic community in the north.

Liberals to press for one party

LIBERAL PARTY pressure for a formal merger with the Social Democratic Party is likely to dominate conferences for both the Alliance parties next month as a result of a new Liberal policy document.

High fliers who stay on course when the going is cheap

EVERY business traveller has his or her favourite airline and has good reasons for making such a choice.

Michael Donne logs his choice of preferred airlines—those treating their passengers as individuals



Table listing airlines in the Top Ten: British Airways, British Caledonian, Cathay Pacific, Japan Air Lines, Lufthansa, Pan American, Scandinavian Airlines System, Singapore Airlines, Swissair, Trans World.

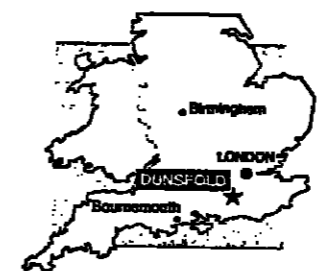
asleep is something the airline could usefully chase up with the U.S. authorities.

Acid plant plan by BP Chemicals

BP CHEMICALS is to build an acetic acid plant likely to raise its output capacity by 40 per cent and which would confirm its position as Europe's biggest producer of the material.

Conoco plans airfield gas well

CONOCO, the U.S. oil company, yesterday applied for planning permission to drill for gas on Dunsfold aerodrome, Surrey, a high security area used by British Aerospace to test Harrier and Hawk aircraft.



Mr John Glascock, a director of British Aerospace, said yesterday: "We are still a few weeks away from agreement with Conoco."

People Express raises single fare to U.S.

PEOPLE EXPRESS, the low fare North Atlantic airline flying between Gatwick and Newark, New Jersey, has put its single fare from the UK up from £113 to £122.

Money Market Cheque Account from Bank of Scotland

Advertisement for Bank of Scotland Money Market Cheque Account, detailing interest rates (10% = 10.47%), opening balances (£2,500), and application details.

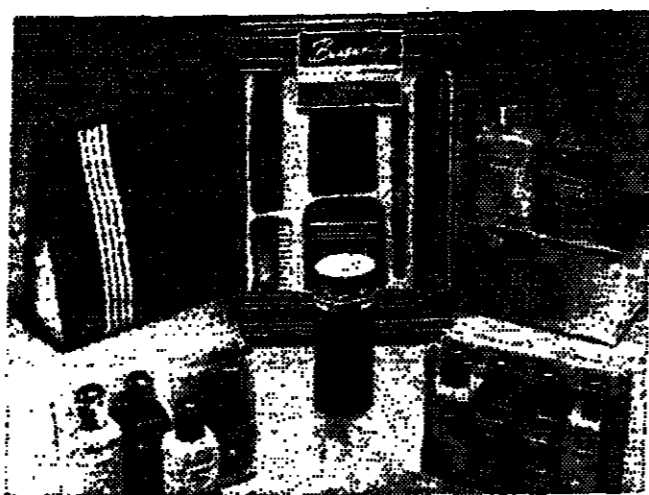
Royal Bank of Scotland director resigns

THE Royal Bank of Scotland said yesterday that Mr Jim Shaw, an executive director in charge of corporate finance and international banking, has left the board and resigned.

UK NEWS

Jeanne Reid looks at the fortunes of the make-up companies
Cosmetics put on a healthy face

THERE IS more to the cosmetic industry these days than simply putting on a pretty face. The latest products on the market make promises... to "repair," "plump" and even "feed your face."



Marks and Spencer's men's range to be launched in September.

Last year saw the first real growth in Britain's cosmetics and toiletries market since the early 1970s. Figures are hard to come by in a business where secrecy is considered vital to survival, but market experts claim sales grew by about 8 per cent to an estimated £1.4bn.

static over the past five years; Max Factor, with a market share which has dropped from about 11.3 per cent in 1979 to about 10 per cent in 1983, and is inching back up at around 10.5 per cent and Revlon, of the U.S., which has fallen to about 9 per cent from about 9 per cent in 1979.

ing strategies. Mr Roger Shelley, vice president of corporate affairs at Revlon said: "We didn't spend enough money in the late 1970s on new product development and advertising, but that trend is being reversed."

LABOUR

Labour's rising fear of split over strike

By Margaret van Hattem, Political Correspondent

LABOUR PARTY anxieties that splits in the labour movement over the miners' strike will dominate the TUC and Labour Party conferences in September and October is mounting as the prospect of an early settlement moderates wing, their loyalty to the union is also legendary.

Colliery buses likely to be key test in North-east

BY DAVID GOODHART, LABOUR STAFF

THE decision by the North-Eastern area of the National Coal Board to restart its colliery bus service on Monday will be a key test of what to do has been the most secure area of all for the National Union of Mineworkers.

He said: "Only by providing this bus service can we find out whether the silent majority are going to start voting with their feet."

NCB stands by pit work claims

BY JOHN LLOYD, INDUSTRIAL EDITOR

yesterday renewed its claim that the drift back to work was "gathering momentum" after a week which saw the first battens cracks in the solidarity of the Yorkshiremen, and a rise to more than 100 in the numbers of miners working in Scotland.

miners—Mr Brian Green, and an unnamed companion—from embarking for the day. In fact, the two men did go in later in a hired van, but stayed for only two hours.

Investment group backs pension portability

BY ERIC SHORT

SUPPORT for the Government's proposals on personal pensions has been given by the Framlington Group, a leading unit trust and investment management group.

their own pension arrangements. In its latest client circular, Framlington welcomes the two key recommendations that personal pensions should be available to all employees and that personal pensions will be contracted-out of the state scheme.

has serious reservations over some important aspects. In particular Framlington considers that the appeal of personal pensions schemes must remain in doubt if employers are not compelled to contribute to employees' personal pensions.

The circular also points out that the tax position has been left vague, and there is no mention of commutation and lump-sum benefits.

Liverpool docks agreement likely

BY BRIAN GROOM, LABOUR STAFF

SHOP STEWARDS yesterday approved a two-year pay and productivity deal for the 2,100 registered dockers in the Port of Liverpool. Their leaders in the Transport and General Workers' Union believe it to be one of the best agreements reached at the ports industry.

It also includes a £190 lump sum to compensate for the delay in reaching agreement, and a 7.5 per cent rise in bonus rates. There will be an unconditional automatic increase on £9 a week on the basic rate next May to cover the second year, with increased overtime rates.

cently seen a spate of disputes, including at least three in the past week. The last of these ended yesterday, when a dispute over "who does what" at the Royal Seaforth container terminal was called off and work resumed on discharging a cargo of Chilean copper from Pacific Steam Navigation's vessel, Andes.

WORKERS at Dairy Crest Creameries have voted by more than two to one to take strike action if EEC milk quotas result in compulsory redundancies.

APPOINTMENTS

Asda Stores finance director

Mr Ian C. Laurie will become finance director of ASDA STORES at the end of October. He will replace Mr John Hardman who has recently been appointed managing director. Mr Laurie is financial director of SavaCentre.

responsibility for maintaining the company's professional standards. He will also continue in his role as manager of Thomson Laboratories' Manchester office.

ment, Mr Shayer was a director responsible for non-foods product range and quality control at Tesco Stores.

Mr Bob Kendall has been appointed joint marketing director of NORBAIN ELECTRONICS with specific responsibility for the group's computer and security equipment subsidiaries Norbain Micro, Norbain Data and Norbain Imaging.

Council staff face call for strike

BY DAVID BRINDLE, LABOUR STAFF

LOCAL government white-collar workers will be urged to call selective strikes in an effort to win an improvement in a 4.5 per cent pay offer.

about the stability of local authorities' finances. The recommendations for disruptive action have been drawn up by Nalgo's local government committee. They will be before a meeting of delegates from council branches at the Central Hall, Westminster, on August 31.

tractors, will refuse to collect money or undertake non-contractual overtime, and will not deal with telephone calls or correspondence if the non-co-operation plans are implemented.

Talks on police pay rise adjourned. TALKS ON the pay of British 140,000 police were adjourned further yesterday until Aug 28 with both sides still locked over a 4.8 per cent offer.

UK CONVERTIBLE STOCK 18/8/84

Table with columns: Name and description, Size (£m), Current price, Conversion date, Flat yield, Red yield, Current, Range, Premium, Equiv Conv, Div, Curr. Includes entries for British Land 12pc Cr 2002, Hanson Trust 9 1/2pc Cr 01-06, Slough Estates 10pc Cr 87-90, Slough Estates 8pc Cr 91-94.

Bae sit-in at Filton ended by police without violence

BY OUR LABOUR STAFF

THE SIT-IN by British Aerospace workers at Filton, Bristol, was ended peacefully by police yesterday, but the occupation leaders warned they might try to re-enter the plant.

BASE LENDING RATES

Table listing various banks and their base lending rates. Includes A.B.N. Bank (11%), Allied Irish Bank (11%), Amro Bank (10 1/2%), Bank of Ireland (11%), Bank of Scotland (11%), Bank of Cyprus (11%), Bank of India (11%), Bank of London (11%), Bank of Montreal (11%), Bank of New Zealand (11%), Bank of North America (11%), Bank of Ottawa (11%), Bank of Paris (11%), Bank of Rome (11%), Bank of St. Louis (11%), Bank of Tokyo (11%), Bank of Victoria (11%), Bank of Western Australia (11%), Bank of Western Canada (11%), Bank of Western Australia (11%), Bank of Western Canada (11%), Bank of Western Australia (11%), Bank of Western Canada (11%).

Advertisement for 3i Term Deposits. Today's Rate 12 1/4%. Deposits of £1,000-£50,000 accepted for fixed terms of 3-10 years. Interest paid half-yearly. Rates for deposits received not later than 24.8.84 are fixed for the terms shown.

SAVINGS OFFERS. Chartershouse Establishment Trust, Abbey National Building Society. A week earlier 450 manual workers in the dynamics division also began a strike and occupation over a disrupted productivity payment.

Handwritten signature or scribble at the bottom right of the page.

هكذا صنعنا الذهب

THE WEEK IN THE MARKETS

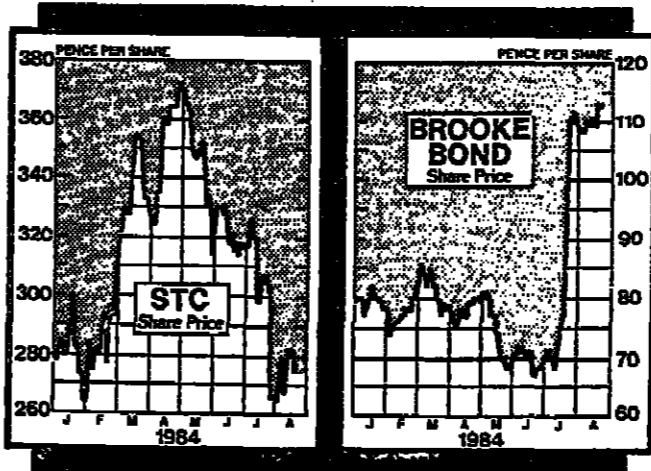
The rumour mill grinds on

All the factors that frame investment sentiment have been... The rumour mill grinds on...

LONDON ONLOOKER

corporate cannibalism which serves to underscore the possibilities of even the most outlandish chitchat... STC hooks ICL...

per cent of Brooke Bond at 117p and will knock Tate and Lyle's £300m bid out of the water... C. & W. on the line...



Pause for breath

NEW YORK WILLIAM HALL

AFTER the explosive rally of the previous three weeks, which has seen the Dow Jones industrial average put on more than 120 points... U.S. bond prices moved erratically last week...

MARKET HIGHLIGHTS OF THE WEEK

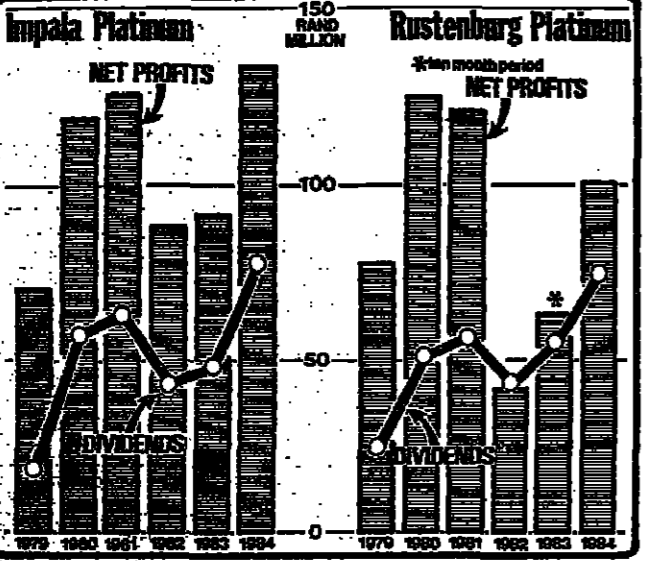
Table with columns: Price, Change, 1984 High, 1984 Low, and Market Commentary for various indices and stocks like FT. Ind. Ord. Index, A.B. Electronic, etc.

Two answers to one question

FROM time to time I put the question to my mining friends: 'If you were to hit on a good prospect today, what mineral would you most like it to contain?'... MINING KENNETH MARSTON

Queen Margaret Gold at Bellevue and many others... Australia is enjoying, if that is the right word, a gold prospecting boom...

It is not just a question of low copper prices—the South African mining operations remain profitable—but of the adverse effects of the weakness of the South African rand... Canada's Inco is aiming to raise \$90m (£52m) via an offer of 10 per cent cumulative preferred shares...



It is thought that the NUM, flexing its muscles as a young union, may go ahead and call a strike now that Mr Cyril Ramaphosa, the general secretary, has described the chamber's wage offer as unacceptable... Other pressing problems are engaging the attentions of Messina, the South African and Zimbabwean copper mining and industrial group...

Co-op Bank announces a change in base rate from 11.00% to 10.50% p.a. On and after Tuesday 21st August 1984. Deposit rates will become 7 days' notice 7.25% p.a. 1 month's notice 8.00% p.a.

TSB BANK Base Rate With effect from the close of business on Friday 17th August, 1984 and until further notice TSB Base Rate will be 10 1/2% p.a.

National Westminster Bank PLC NatWest announces that with effect from Monday, 20th August, 1984, its Base Rate is decreased from 11% to 10 1/2% per annum.

Coutts & Co. announce that their Base Rate is decreased from 11% to 10 1/2% per annum with effect from the 20th August 1984 until further notice.

YOUR SAVINGS AND INVESTMENTS

LIFE ASSURANCE

Actuaries rebel against sales hype

THERE YOU are sitting on your sofa with a sympathetic young insurance salesman who has charmed his way past your front door.

The two of you have just been through a list of all your major expenses and decided how much will be left to set aside.

Then out comes a glossy leaflet, containing several colourful graphs with thick black lines heading steeply towards the ceiling in the corner of your lounge.

"We've worked out that you're able to save £80 a month, that's more or less £1,000 a year," the salesman says chirpily, reaching for a table of figures.

That means when you cash in your policy after 10 years you could expect to receive a sum of £19,671 free of all taxes. Look there's the figure. It's been calculated by our actuary."

Salesmen like to bring in the actuary at this point, just when you are about to ask how they can be sure that in 10 years you'll get £19,671 and not £19,672—let alone just £9,672.

The opinion of an actuary is rather difficult to challenge unless you can get your mind round discounted cash-flows, time-weighted returns and auto-correlations. Reputedly, actuaries have a higher average IQ than members of any other profession.

Some also believe that they have had more influence on the distribution of wealth than all the recent generations of politicians. Behind the doors of the largest financial institutions and away from the public gaze, it is the actuaries who effectively decide everything from which occupational pensioners can be paid annual increases in line with inflation, to how the multi-billion pound surplus of an insurance company fund should be shared out between present and future generations.

In recent months, however, a fascinating light has been shed on the workings of this secretive world by a dispute which should encourage the public to ask more questions about the projections of their insurance brokers.

Clive Wolman explains why projections can be misleading

A rebellion has been organised in the ranks of the actuaries against the way in which their projections of profits have been misused by commission-hungry salesmen. Customers, they claim, are being lured into buying policies by promises of unrealistically high pay-outs when those policies mature.

The discontent surfaced in public for the first time six weeks ago when Stewart Lyon, a director of Legal and General, gave his parting speech as president of the Institute of Actuaries. In what amounted to an unprecedented attack on the practices of his colleagues in the insurance industry, Lyon warned of "disappointment and disillusion" if the investment performance of insurance company funds fails to match promises.

Even more serious, Lyon said, was the danger that such practices could spread to the sale of personal pension plans if and when employees are permitted by the Government to switch out of their company schemes.

In recent years, insurance companies have been able to declare exceptionally high bonuses for their clients, a consequence of the upsurge in the

wants to be the first to cut bonus rates."

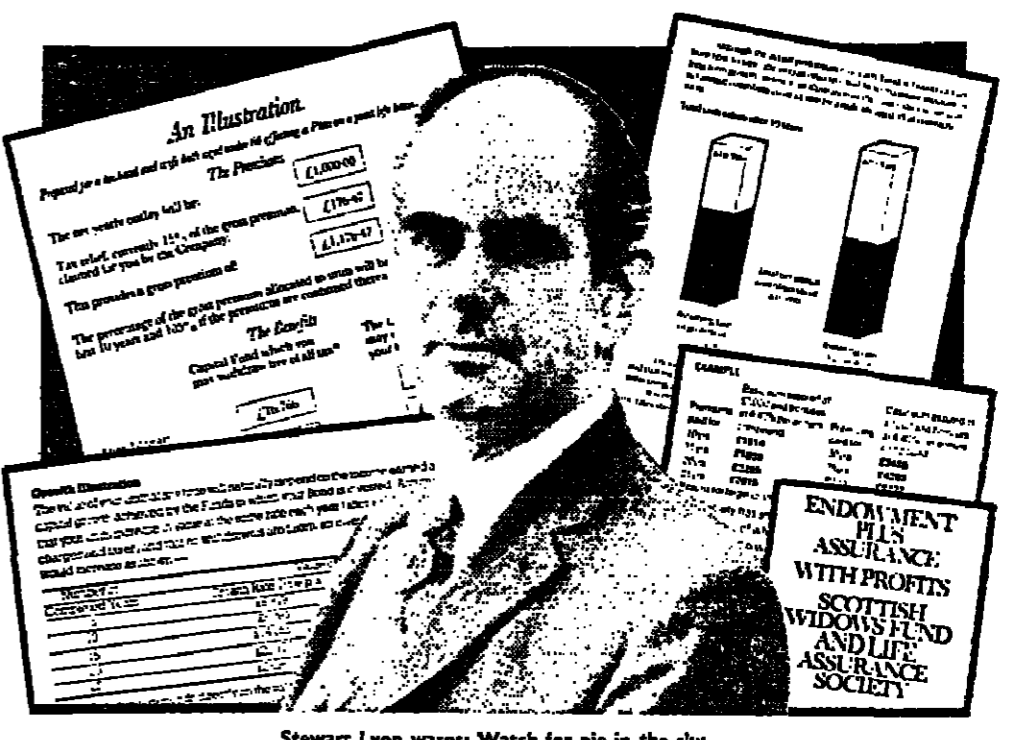
Other actuaries have been more critical than Lyon, although not usually in public. According to Bill Proudfoot, the chief general manager of the Scottish Amicable Life Assurance Society: "In recent years, the illustrations of what you will get in 10 years' time have become more and more nonsensical. To illustrate on today's bonus rates is criminal."

Both Proudfoot and Lyon are urging the insurance industry to adopt a code of practice for salesmen which would prevent the use of projections based on the most recent bonus record. Instead, the projections for both pensions and insurance contracts would just state what your final pay-out would be assuming say, a 7 per cent annual return, a 10 per cent return and a 12 per cent return.

In other words, the customers could decide what was a reasonable assumption about investment returns, as they do when considering unit-linked insurance contracts.

But the actuaries will still have to continue making their assumptions about investment returns when deciding to whom to give, and from whom to take away, on behalf of insurance and pension funds. Shouldn't their inevitably subjective assumptions be exposed to public view and discussion as well?

The actuarial profession has been very reluctant to have the discretion of its members hindered," says Lyon. "But in this age you have to accept constraints on the freedom of a profession in the public interest. This is why we have been giving more guidance on standards."



Stewart Lyon warns: Watch for pie in the sky

Check past form for likely future profits

TO CHOOSE the insurance company likely to give you the best pay-out, you should ignore their projections and look at their past record. A comparison of with-profits endowment policies published in the Economist on August 4 shows that the best returns on 10-year policies have been achieved by Scottish Amicable, Refuge, Ecclesiastical, Standard Life and Equitable Life.

For 25-year policies and 15-year policies (with death occurring after 10 years), the same five life offices appear, together with Clerical Medical and Norwich Union.

The lowest pay-outs on 10-year policies were recorded by Phoenix, Sentinel, Gresham, Provident Life and Cornhill.

If you want to work out how much a projected pay-out is really worth, you need to take account of the inflation rate which is implicitly assumed in the projection. The projections which have been based on recent bonus records are assuming, very roughly an average inflation rate of at least 12 to 13 per cent, over the length of the policy.

Such inflation would have a devastating effect on what you will be able to buy with your policy proceeds when they arrive.

To give an example, the real (inflation-adjusted) value of a £20,000 pay-out, assuming 13 per cent inflation, is after 10 years, £5,892 and after 25 years, £942.

CHILDREN'S SAVINGS

Piggy bank market

AS THE beginning of the new school year looms, banks and building societies are lining up to make another assault on the young savers market. Midland Bank, which launched its Griffin Savers Account this week, has stepped up the battle by offering a higher interest rate as well as free gifts.

With a minimum deposit of only £10, children between the ages of seven and 16 can open an account which will pay them 2 percentage points above the ordinary deposit account rate provided they keep the money there for six months.

At present rates this means a return of 10 per cent gross. This is not far short of the 10.92 per cent which their parents would earn if they opened a high-interest cheque account. But they need £2,000 to open such an account and would have to keep the balance above that level.

Building societies and banks are divided about what lures young children or perhaps their parents, to open young savers' accounts. Midland suspects that most children, like many other savers, may not be very sensitive to interest rates. Yet they have delighted at the introduction of an account which pays more than most of its competitors, while also throwing in some £15-worth of free gifts some of which are fun and some useful.

Midland's readiness to pay a higher interest rate may yet prove very wise. The Yorkshire Building Society, the first to use nursery characters and free gifts to woo young savers, says its most recent market

research shows that children do prefer hard cash.

So its Future Key account offers children financial incentives to save. Children receive the basic share rate currently, 7.75 per cent net, on the account but are paid bonuses of £2.50 when their balances reach £50, £100, £250 and £500. If she or he opens an account with £100 and keeps it for a full year the total return would be as much as 13.29 per cent net.

So far the Leeds Permanent Building Society and the Anglia are the only other major societies which pay a higher interest to attract young savers. The Young Leader account pays a full percentage point above the ordinary share rate on balances of up to £500 while the Anglia pays a 1 per cent above the basic share rate on its new Top Saver account but tops this up with a further half a per cent bonus each birthday giving a total of 9 per cent a year.

Only the Leeds, however, treats children as totally serious investors, offering no free gimmicks. The Yorkshire, throws in a space-shuttle badge, whilst the Anglia offers rather more—note pad and pen as well as foreign coins with a new pack every time a further £5 is saved, up to a maximum of 16 coins.

If young savers are really interested in getting the best return on their money then either one of these three societies or Midland Bank are clearly the best bet.

The other clearing banks pay only the normal deposit rate, relying on gifts, to woo the young.

Margaret Hughes

BANK/ BUILDING SOC	ACCOUNT	INTEREST RATE	GIFTS
Anglia	Top Saver	8.5% net plus 0.5% birthday bonus	wallet with notes, pad, pen, foreign coins, competitions with prizes from W H Smith
Leeds	Young Leader	8.75% net	—
Midland Bank	Griffin Savers	10% gross	sports bag, geometry set, Oxford Dictionary, badge, clip board with pen, magazine, birthday card
Yorkshire	Future Key	7.75% net plus cash bonuses	badge

PENSIONS

Topping up contributions

Eric Short continues his series

THE CENTRAL theme of the Government's proposed personal pension scheme is to give employees a choice and a personal involvement in their pension arrangements in the future.

At first sight it would appear that there is neither choice nor personal involvement under the existing framework for the estimated 7m employees in company pension schemes. In most of these schemes, membership is a condition of employment. The employee has no choice but to join and have his or her contributions, in a contributory scheme, deducted at source.

Apparently this offers very little choice or personal involvement. But there is some opportunity open to employees on top of the existing rigid set-up.

The Inland Revenue allows employees to make additional

contributions on top of any paid into the company scheme, known as Additional Voluntary Contributions (AVCs). The AVC facility does offer employees some scope for individuality but it is a complex procedure.

First of all, the trust deed of the pension scheme must allow the trustees to accept these extra contributions. The individual cannot take the initiative in making them.

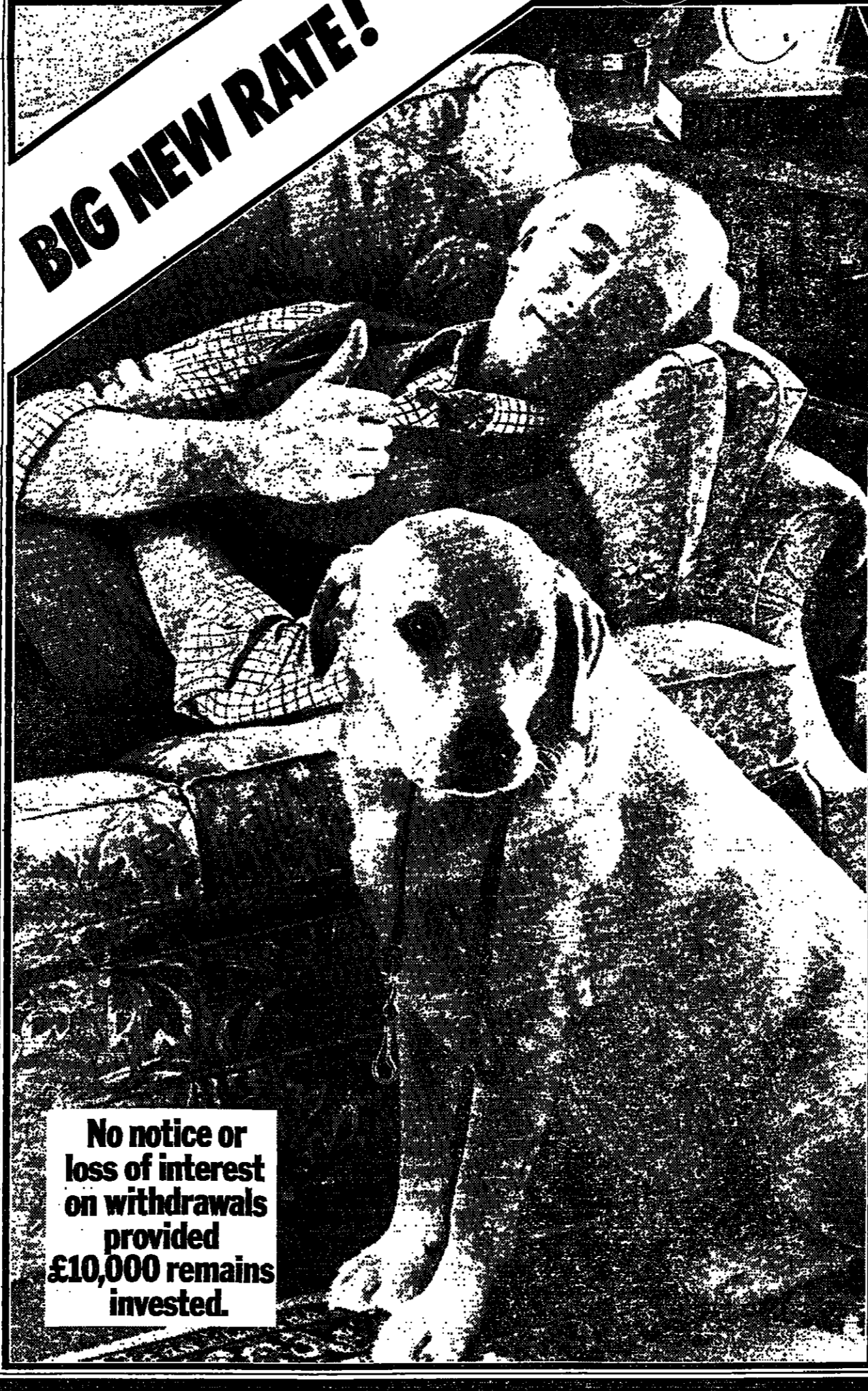
Second, the responsibility for investing these extra contributions rests with the trustees as part of their overall responsibility for investment of pension contributions and assets.

The trustees need to identify, on an individual basis, the AVCs paid into the scheme. For the reason, most trustees prefer to invest the extra contributions outside the main scheme in a separate AVC arrangement.

Building societies, in addition to life companies, are permitted to market AVC pension schemes. The Unit Trust movement believes that unit trust management groups should be allowed to manage AVC pension schemes, even under the present set-up.

Continued next week

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P.S. You'll also learn our view on the UK market, that's pretty controversial. But it should be sound.

BOOKS

FDR's First Ladies

BY GEOFFREY MOORE

Mother and Daughter: The Letters of Eleanor and Anna Roosevelt

Americans, particularly Roosevelt, have their own special kind of royalty.

tion, extracting what he feels (usually wrongly) to be the key phrase of each letter as a heading, printing Anna's second husband's mawkish love-letters in full, and following them with such comments as "Anna had been enduring menstrual difficulties..."

30 days." By the time FDR had decided to run for an unprecedented third term he was too busy to play politics.



Eleanor and Anna with John Boettiger, the only child of Anna's second marriage. Picture from the Roosevelt Library, U.S.A.

seemed somewhat daunting material. Without his informative "interludes" putting flesh on the bare bones, the book would be dull indeed.

the greatest courage and cheerfulness—Mrs Roosevelt had almost completely lost touch with him on a personal level.

most peaceful kind of holiday, and yet that can be fraught with menace (remember when Miss Marple took one?).

Crimes

The Rembrandt Panel by Oliver Banks

Amos Hatcher, the detective in the first of what promises to be a series of adventures, is a lapsed art historian who had turned into a kind of American Rodolfo Siviero.

(and the whyabouts) of a unique Greek vase he becomes involved in a double murder. The vase is only one of the priceless works of art connected with the homicides.

There is a marvellous quality in Richard Fletcher's new study of the cult, its setting and one of its great, presiding bishops. Like his subject-matter, the religious and the secular.

BRIDGE

At one table the auction was brief, but unscientific. South dealt at love all and opened the bidding with one spade.

North jumped to six spades. This was followed by three passes, and West led the club King.

South's four hearts brought the auction to a close. West cashed the Ace and King of spades, and the Queen which came next was ruffed in hand with the five of hearts.

Chess solutions for previous puzzles.

Chess solutions for previous puzzles.

Chess solutions for previous puzzles.

Chess solutions for previous puzzles.

CHESS

Leonard Barden

Nigel Short fulfilled what has long seemed his destiny last week when he became the youngest ever British champion at the age of 19 in the Griesonien Grant contest at Brighton.

In the latest tournament he was always in the leading group, won well against top seeded

Chess solutions for previous puzzles.

Chess solutions for previous puzzles.

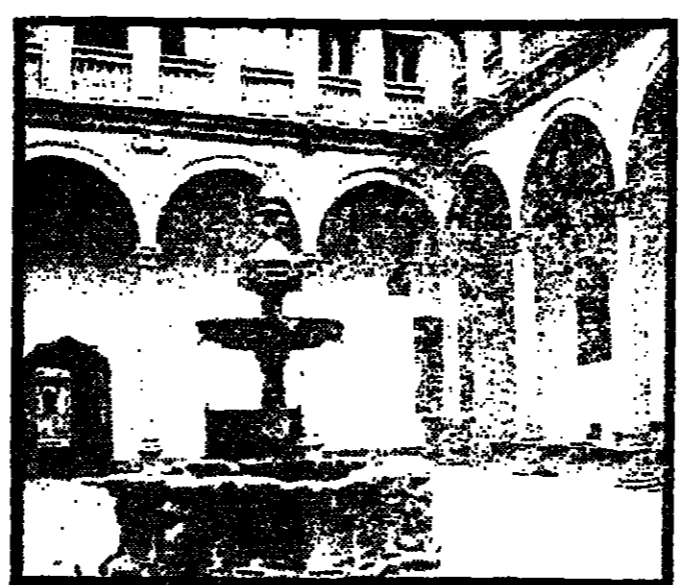
Chess solutions for previous puzzles.

Chess solutions for previous puzzles.

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Chess solutions for previous puzzles.

Chess solutions for previous puzzles.



Santiago de Compostela: the pilgrims' Renaissance hospital

Compostela's cult

BY ROBIN-LANE FOX

St James's Catacomb by Richard Fletcher

The history of Christian Spain is enlivened, propelled perhaps, by an intriguing claim to the support of St James.

There is, however, another dimension, which is less common. Richard Fletcher has rare respect for the people of whom he writes, while weaving as much of a factual tapestry as the evidence allows.

be parochial in the way, say, in which historians of the Labour Party or the Victorian suburb can be, and are. Much of its impulse is derived from the doings and documents of Bishop Diego, who was elected in 1100 and died in 1140.

Cautious leader

BY GEORGE MALCOLM THOMSON

Lord Liverpool was dead at 55, having spent 25 years continuously in office at one level or another—a remarkable career by any standard, even if it had passed in an era of tranquillity.

Why, then, has he been so undervalued? Professor Gash's new biography suggests the answer. He was a highly conventional man, a pleader, one who did not throw off sparkling phrases or achieve brilliant strokes of policy.

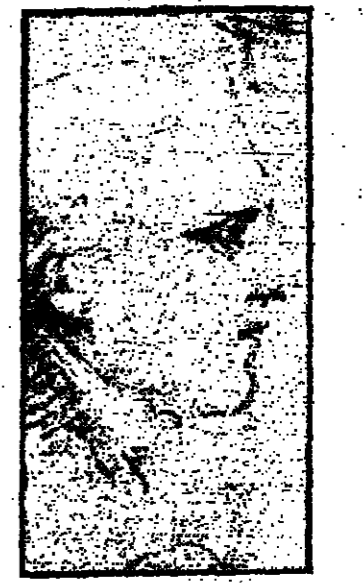
Which British Prime Minister-to-be commended the guard of honour at the funeral of Robert Burns? The answer is Robert Buns, Jenkinson, later Lord Liverpool.

George Canning, Jenkinson's friend and tormentor, made merciless fun of his military activities, especially of a recruiting poster for which he was responsible.

The loyal support he gave to Wellington during the black days of the Peninsula war, the bitter struggle with the unpopular King, George IV, and his vulgar Queen Caroline, these showed that he was a man of character, at his best in a crisis, as he showed in the feverish days after Napoleon escaped from Elba.

What kind of man was he? Nervous, emotional, pious, hard working; one of the long list of dull Prime Ministers. "A sensitive plant," said Wellington: his colleague Huskinson spoke of his "grand fidgets" while Palmerston reported that the Prime Minister had an attack of "the weaks."

Incidentally, Liverpool founded the National Gallery, an achievement of which any Prime Minister could be proud.



Lord Liverpool: detail from a study for "The Trial of Queen Caroline" by G. Hayter, from the National Portrait Gallery

Poets among animals

BY CLIVE FISHER

Bed of Stone by Valerie Gillies

I Could Not Interpret The Spring by Frances Gill

Sky-Riding by Peter Bennet

I should like one day to read Valerie Gillies' autobiography: for one of the delights of Bed of Stone is the breadth of experience it reveals.

a sterile objectivity. Many of the poems describe encounters with animals: witness the fierce protectiveness of the subjugated doe in "Rabbit Voices".

In Frances Gill's I Could Not Interpret The Spring the aged are an obsession. Her knowledge of them—she had been a nurse—has allowed her to examine many predicaments; has even emboldened her on occasion to speak in the first person. Thus, rather than appearing tepid exercises in sympathy, "Old Woman Seated" and "Beached" become acute monologues of complaint at youth's tyranny over age.

"The Trinket Box" Gill cannot reassure: "Are these cold drops a fraud of stone/Or did animate your flesh with love?"

These poems are finely-tuned utterances of a modest, humane voice aware of life's pain yet undisposed to historicise, I hesitate. Age Gill conceives as a nostalgic retrospective: "perhaps to remember is to imagine." Her elderly characters have no zeal, are therefore prepared to go gentle into that good night because their author feels that mental and spiritual growth never outweigh physical decay; a conviction which to me suggested an inability also to interpret the autumn.

Fiction

Domestic hauntings

BY MARTIN SEYMOUR-SMITH

Voices in an Empty Room by Francis King

Good Daughters by Mary Hocking

The Growing Pains of Adrian Mole by Sue Townsend

The Warning Bell by Lynne Reid Banks

Francis King is well acknowledged as the leading English short story writer of his generation. The status of his novels has until recently been less certain. But by now it is at least sure that in this form he is writing at the height of his powers.

One can scarcely pay high enough tribute to the best passages in this novel. Nor is there serious doubt that King could manage the form triumphantly. It is therefore all the more sad that here he has dispersed the best of himself.

Good Daughters is the self-contained first of a trilogy which will cover the life of a family from the 1930s, through the war, to the 1950s. Here we are in the London of the 1930s with an apparently quiet and unobtrusive family.

The Warning Bell, Lynne Reid Banks' seventh novel, abandons the subject of travel which has recently absorbed her, and turns to that of a Scotswoman who can only escape a stifling upbringing by overreacting and carrying herself into a false role of an alienated exile in Africa.

Adrian Mole seems to me—at least at this distance—to be so horrible as to defy belief; but I grant Sue Townsend's genius in making it abundantly clear that it is all too true, and that all males have passed through that stage. The new book takes up the diary where the last left it off, and is quite as classic. One of my favourite entries was a diary item purporting to have been made by the wife of Jack the Ripper: "Jack late home. Perhaps he is kept late at the office."

The Warning Bell, Lynne Reid Banks' seventh novel, abandons the subject of travel which has recently absorbed her, and turns to that of a Scotswoman who can only escape a stifling upbringing by overreacting and carrying herself into a false role of an alienated exile in Africa.

She can be relied upon to extract the last nuance from the apparently banal manner in which people speak to each other. In this book, certainly one of her best, she tells us much about the period of the 1930s and much about the values. Technically—as such perceptive critics as Peter

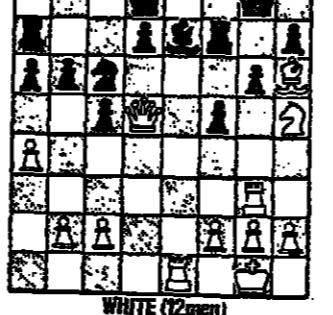


Francis King

Acroyd have already noted—she is far more adept than she appears to be. This promises to be a notable trilogy. As a novel about the shattering of illusions Good Daughters is impressive and refreshingly undainty.

The Warning Bell, Lynne Reid Banks' seventh novel, abandons the subject of travel which has recently absorbed her, and turns to that of a Scotswoman who can only escape a stifling upbringing by overreacting and carrying herself into a false role of an alienated exile in Africa.

POSITION No. 529



White to move. Black has just played QxP3.

J. Spielman v. M. Basman, Griesonien Grant British Championship 1984. White (to play) sacrificed a pawn for this attacking position where Black's game is congested and passive.

Handwritten text at the bottom of the page.

هكذا صنع القوس

HOW TO SPEND IT

by Lucia van der Post

FILE FROM ABROAD

This week three more of our FT correspondents give us intimate portraits of the cities where they live and work—Edinburgh, Milan and Geneva...



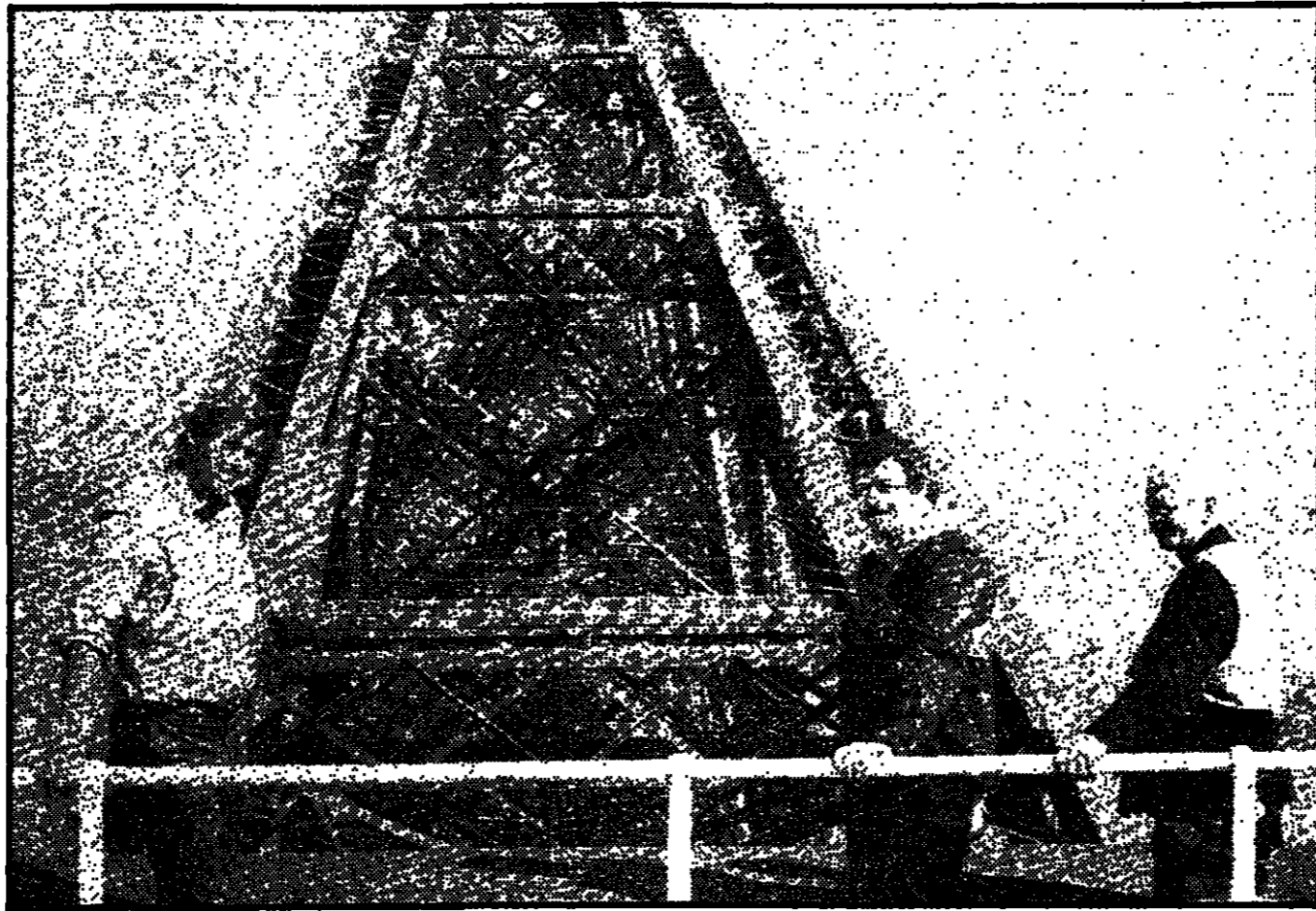
EDINBURGH

"A castle on a hill and jutting church spires and city towers below, always changing, depending on the sun, the mist and haze"

Mark Meredith

I've got a crush on the Forth rail bridge. All steel and muscle. It's 95 years old, is anything between two and 10 times stronger than it needs to be and a magnificent working industrial monument...

front to see the near tunnel of steel and rivets (an indisputable 6.5m). Or be like most people and park your car below the bridge and marvel at its strength over a soft ice cream cone...



any number of salad bars are around the corner. Having a castle nearby, a working castle by the way (it is a military barracks), helps shake off any feeling of the mundane...

of Scottish stores with their ranges of tweed down to tart and places where Americans named Wyckhowsky can trace their Scottish ancestry.

Edinburgh has a good array of restaurants and bars, although there seems a high rate of attrition among the latter. A dark and flashy place called "Styx" near the office is vying with a hamburger and cocktail nightspot called "Madogs" opposite as the place to be seen.

My perspective on restaurants is based largely on the kind of fish they serve. There's a small place called "La Buca" at East Fountainbridge, if you are feeling flush, where the fish is good and the waitress has a delightful Italian-Scotts accent.

Then "Mermans" on Eyre place also specialises in fish. I had a nice turbot dish there recently.

"Vitos" on Frederick Street is full of voluble friendly Italians. It steers away from the Pizza and Pasta image with a bright decor of carved wood. The daily speciality is usually fish. And try the oyster bar at the Cafe Royal, West Register Street, which is a small French restaurant one side of a partition, a spit and sawdust pub on the other.

"Denzlers" on Queen Street and "L'auberge" on St Mary Street also rate highly in my book.

Wholesome stuff and not so expensive as "Luckpenney" and "Hendersons" on Hanover Street. "Es Donec" on Thistle Street turns out open sandwiches in some style. "The Doric Cafe" on Market Street is also cheap and friendly and is something of an unofficial press club.

Watering holes: nice atmosphere in the Edinburgh wine bar on Hanover Street. A pub crawl along Rose Street could leave you with either baroque music or go-go dancers to go with your pint of heavy.

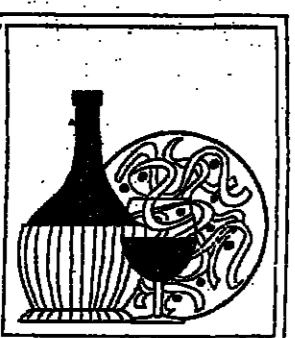
Gardens which is about a mile and a half north and the spacious and well laid out new gallery of modern art in the grounds of a former school out in the west end.

What other city offers you a castle and a mountain range (not to mention the bridge) within its boundaries? Arthur's Seat, soaring 823 ft, and Salisbury Crags, part of Holyrood Park, are easily climbed with the only danger the highspeed fell runner. I like the pockets

of urban countryside where the city cannot be seen. This is an elegant city of grey stone and a core of bankers and Scottish Office civil servants with their children at what is said to be Britain's highest concentration of fee-paying schools. The bus stops are alive with multicoloured blazers jostling for position.

A recipe for an elitist, snobby city? Perhaps, and indeed the image that seems to stick with Edinburgh. But its two universities, Edinburgh and Heriot Watt help keep the balance. The growth of electronics industries nearby has also brought with it an influx of technocrats so the atmosphere is changing.

Unfairly, the city has been compared to industrial Glasgow which has passed through one of the low points in post-war industrial deprivation in Europe. Glasgow, which kept its grimy sense of humour throughout the worst, is very much on the rebound at the moment and uses its home for Scottish opera, the Scottish National Orchestra and the new Burrell Collection to tweak at Edinburgh's beard.



MILAN

"Few things are as pleasant as a cool Bellini in the Galleria after a grimy day in the office"

Alan Friedman

MILAN, SAID a Milanese friend of mine the other day, has a certain image problem. We were sitting on the terrace of the bar "SL" in the cool shade of the grand 19th century Galleria, the traditional hub of life in this cosmopolitan city.

Taking a last swallow of his Bellini (a refreshing peach juice and champagne cocktail), he looked around at the smartly dressed strollers out for their evening passeggiata or promenade and smiled.

As far as I am concerned, few things are as pleasant as a cool Bellini in the Galleria after a grimy day in the office writing about the latest episode in the Zaluski saga. We were discussing the image of Milan which most foreigners have a place to change planes, a Northern Italian industrial city similar to Manchester or an Italian version of Frankfurt. Nothing could be further from the truth.

Milan instead, as Stendhal used to remark, is a city of liveliness and gaiety, a very European city which happens (luckily) to be located in Italy. Stendhal found the civilised pace of life in Milan so pleasant that he wished his tomb to be inscribed with the words "a citizen of Milan."

In August, when nearly all political and commercial life in Italy grinds to a halt, Milan becomes a ghost town. For those wishing to take full advantage of the city's rich cultural heritage, its excellent art galleries, its superb Scala Opera House, its haute cuisine restaurants, perhaps September is a better time to visit. But I like the almost unreal calm which has settled over the city in recent weeks.



among the top art museums in the world. A few hundred yards from the Brera we crossed the Piazza Della Scala, stopping to admire the statue of another honorary citizen of Milan, Leonardo da Vinci. Leonardo's faded and partly restored "Last Supper" remains an impressive sight, housed in a lovely fifteenth century church about ten minutes from the town centre.

Walking through the frescoed Galleria is always a delight, and passing the grand apartment where Mussolini's mistress used to stay, we are finally in the Piazza Del Duomo, Milan's largest open space and the square which holds the cathedral (Duomo), a huge marble of white marble in high gothic style. Even better than admiring the wedding cake architecture from the ground is to take the lift (or if athletic the stairs) to the roof, where on a surface the size of a football field one can walk among the hundreds

adorned with a different saint. The roof of the Duomo, as the guide books would say, is not to be missed. It is truly spectacular. If my friends are carrying an American Express platinum card then it is off to the Via Monte Napoleone, a shopping street so elegant and outrageously expensive that it makes Bond Street seem tacky. And nearby, on the Via Della Spiga, one can plunge into the Milanese fashion of Armani, Krizia, Versace and more. It is while walking among these streets that my friends will often remark that "Milan seems to be a very well off city."

about in their designer clothes, possibly walking their dachshund, Truzzi.

But Milan is not all elegance and chic. When I am hungry for some funk and squalor, I can go along to the Naviglio, the old canal area where there are folk jazz clubs and even great Greek restaurants. Speaking of restaurants, I mustn't miss the chance to plug my favourites. Stay away from the famous and overpriced "Savini's"; it may have been something 30 years ago, but today it is strictly for businessmen on expenses who don't mind their haute cuisine a bit bland.

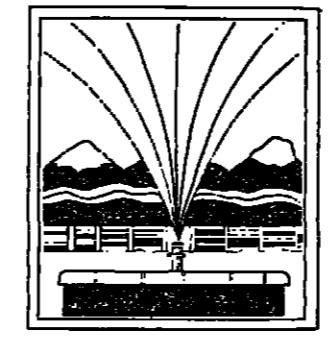
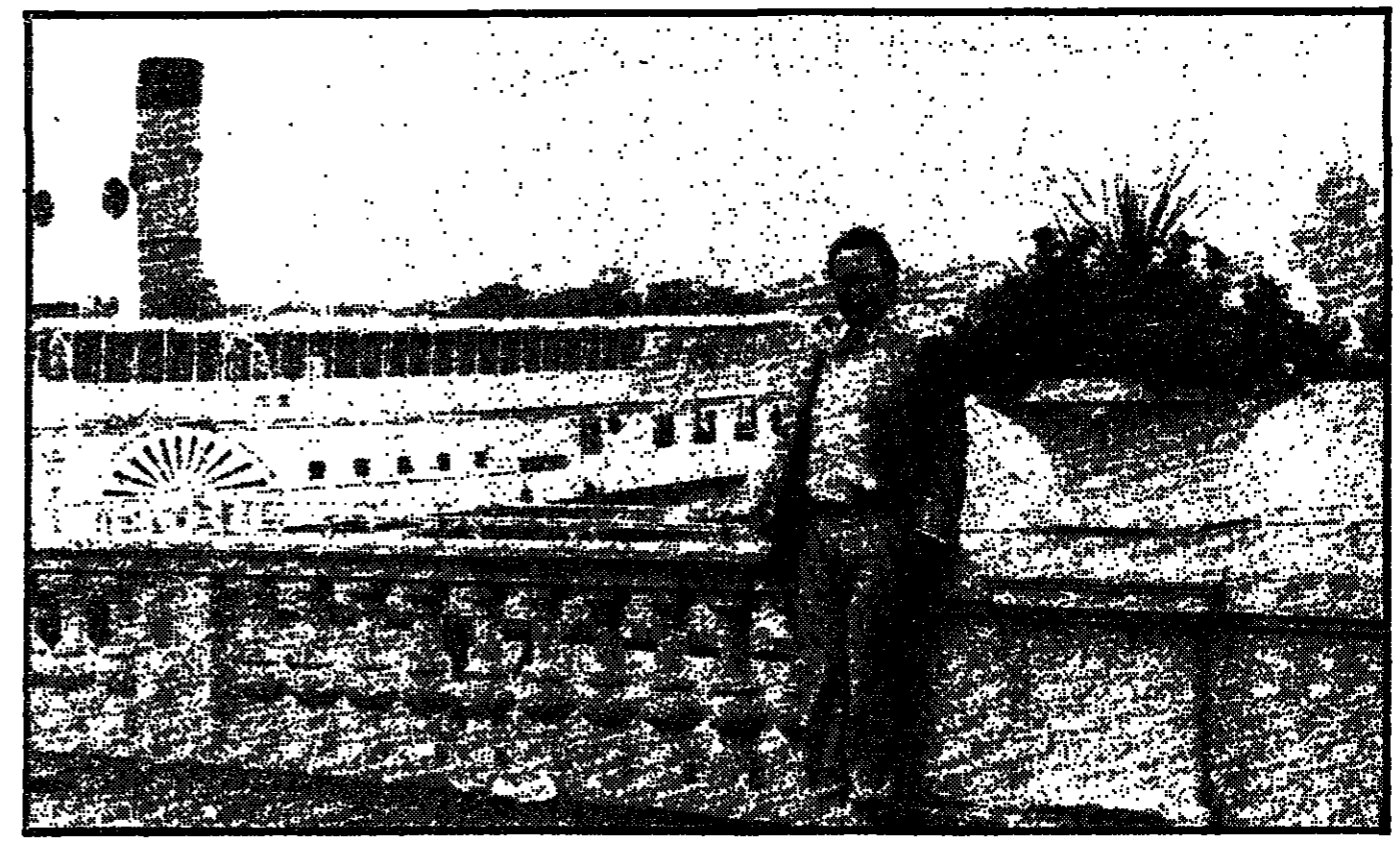
For me, the "Torre Di Pisa" (cash only, no charge cards) in the heart of the Brera is the place to eat. We sometimes go there twice a week. The "tagliatelle con funghi e panna" (mushrooms and cream) is mouthwatering, as is the "carpaccio" (thinly sliced raw sirloin, with grated parmesan and artichoke slices). Torre is not pretentious, despite the fact that it is the haunt of the fashionable set.

And if you are on wheels and wish to enjoy a splendid summer evening in a beautiful garden, dining on michelin-starred fare, try the "Antica Trattoria San Bernardo," seven kilometres from the centre of Milan in the village of Chiaravalle. I am very boring when there. I always order the elephant ears which are huge schnitzels, delicately spiced and topped with tomato slices. Accompanied by a great Barberesco red from nearby Piedmont, this meal may be a rough approximation of heaven on earth.

As long as we are outside of Milan, let's not forget the great advantage of the city—its isolation. Drive for one hour from Milan and you are on the shores of Lake Como. Ninety minutes away is the Italian Riviera. Two hours by car and you are skiing at Zermatt.

Milan is also a great place to get away from on weekends. A couple of weeks ago, for example, we went with some friends to Como and enjoyed the water skiing and pretty lakeside cafes. Then, the next day, in late July, mind you, we go up early and drove to the Alps, where we took a cable car to 14,000 feet and went snow skiing beside the Matterhorn. The conditions are not bad, a bit slushy after midday. But we were skiing in July in our tee shirts. Bliss.

It has to be stressed that Milan in August is hot and sweltering and more or less shut down. The early autumn is a much better time to visit. A pleasant hotel is the "Grand" on the Via Manzoni, five minutes from the Scala. The "Grand" is Milan's answer to New York's Algonquin—Victorian, with high-ceilinged rooms, and old-fashioned bath tubs. And if you plan carefully, and book seats in advance, you can stroll to the famous Scala and enjoy one of the world's great operatic traditions. Does this sound like Man-



GENEVA

"Among the most beautiful cities... are those which lie on a lake and a river at the same time... Geneva has both Lac Lemman and the Rhone."

Anthony McDermott

IF YOU live, as I do, opposite a main fire engine centre, you might expect, particularly on a Saturday night, to be in for a noisy time. But this is Geneva and even though the city is seen by other Swiss as being the capital of Swiss Romance, the French-speaking area, and therefore more liberal and perhaps less well organised, it still remains firmly Swiss. This means that when the fire engines and their support vehicles leave there is an agreement that they do not start their sirens until they are around the corner. I have no idea what my neighbours round the corner feel about this. But all I know—and am totally used to—is the phrrrrrr sound of the doors opening upwards, the revving

plucky firemen are on their way. Geneva is both Swiss and foreign. Those in the German speaking part tend to regard them as an extension of France—French people with Swiss passports. But this is unjust, even if it was late to join the Swiss confederation—in 1815 (only the Jura in 1978 came later). Its inhabitants and its administration operate in a very Swiss precise manner, as you can see from the arrangements with the fire engine sirens.

As cities go, it is small. At the last count a little over 350,000. But of these, one in three is a foreigner, and the locals heartily blame them for housing and parking problems. Take a bus, particularly from the Palais Des Nations, housing the United Nations Organisation, and the most prevalent language is likely to be English (in various dialects) and most passengers decidedly un-Swiss looking. There are no less than 37 United Nations and International Organisations in Geneva, leaving aside the banks and other businesses which leave Genevans feeling that they are not full members of their own city.

In the end Genevans are in two minds about the foreign invasion. Without them, they would certainly be poorer financially and culturally. There would not be, for example, the delicatessen below my flat. Italian run from 7.30 in the morning until the same time at night—selling jars of pickled things and pickled that as well as ridiculously tasteless dog and knight-shaped bottles of Chianti Round the corner is "Cafe De La Presse"—the area known as "Plainpalais" is a sort of mini Fleet Street with La Suisse,

De Geneve having offices there. In the morning on offer is coffee and backgammon and newspapers, before the serious speaking part tend to regard them as an extension of France—French people with Swiss passports. But this is unjust, even if it was late to join the Swiss confederation—in 1815 (only the Jura in 1978 came later). Its inhabitants and its administration operate in a very Swiss precise manner, as you can see from the arrangements with the fire engine sirens.

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restaurant of all UN organisations in town. Shopping like most things in Geneva is not cheap. All the names are there from Bulgari for jewels to Davidoff for cigars. Antique shops abound, ski wear is there inevitably, and the saviour of the watch industry, the SWATCH which has the loudest tick since Rolls-Royce installed clocks in its cars.

As for its cuisine, Geneva is perhaps more international than local. "Cafe Houdouard" is famed for its fondues and "Les Armures" for Raclette. Foreign restaurants abound. For Japanese food—"Yamakawa"; Vietnamese "La Jonque D'Or"; Greek "Dionysios"; Egyptian "La Pyramide"; Italian "Roberto"; Chinese "Tse-Pung"; and so on and so forth. Geneva is nothing if not international.

And Geneva is also a place to escape to France from. Head northwards and there is Ferney-Voltaire where the great man lived from 1760 to 1778. Southwards there is Annecy.

In the end Geneva is a small city with fame far outstripping its size. It has its eccentricities. Next to the University in Parc Des Bastions are enshrined four reformers, Farel, Calvin, Beza and Knox, heroes of the Reformation. But it is above all a supremely beautiful city. Ironically it was a Zurich-born writer in the 19th century, Gottfried Keller, who summed up Geneva best when he wrote: "Among the most beautiful of cities, especially in a lake and a river at the same time. Receiving the river like a wide gate at the lake's end, Geneva has both Lac Lemman and

ARTS

Theatre and opera from the Edinburgh Festival

A yard of Fringe

The Traverse must always head the hunt on the Fringe, where it scarcely belongs anyway. They're giving the British premiere of a new piece by Michel Tremblay in their new...

she is his twin sister. The play ends with a dual ecstasy—ends too fast for me, for the conclusion is too simple, too predictable. The director is Stephen Urvain.

I've somehow failed till now to meet Cliff Hanger, a company of three men and a girl who are Festival regulars. Cynthia Long has been seen in London...

At the George Street Theatre my beloved Children's Music Theatre has a new piece, The Powder Monkeys. It is everybody's favourite for children's adventure stories...



Simon Beale in "Sandra/Manon"

Strong and Laura Evans speak Don's and Bernard's lines prettily well in the circumstances. Dan is the nicer of them. He picks up a fairly nice girl (Jenny Moxham) and they live together until they're sick of it...

Tony Curtis on Sue Wilson's first season as artistic director

All change at Pitlochry



A scene from "Sea Marks"

There are some major changes, writes Sue Wilson, the new artistic director of the Pitlochry Festival Theatre, in her first season in the scheme of our programming...

Wild Oats and in the second, the British premiere of Sea Marks, a two-hander by an American, Gardner McKay...

Price. The sense of fellowship and loyalty in the face of adversity, of people intoxicated as much by life itself as by liquor...

moment, and then allowed to slip back into the ominous seas. Traditionally Pitlochry has a double audience: the local loyalists (skilfully nurtured during the Ireland years) and the transient tourists...

Salute to an honorary Scot

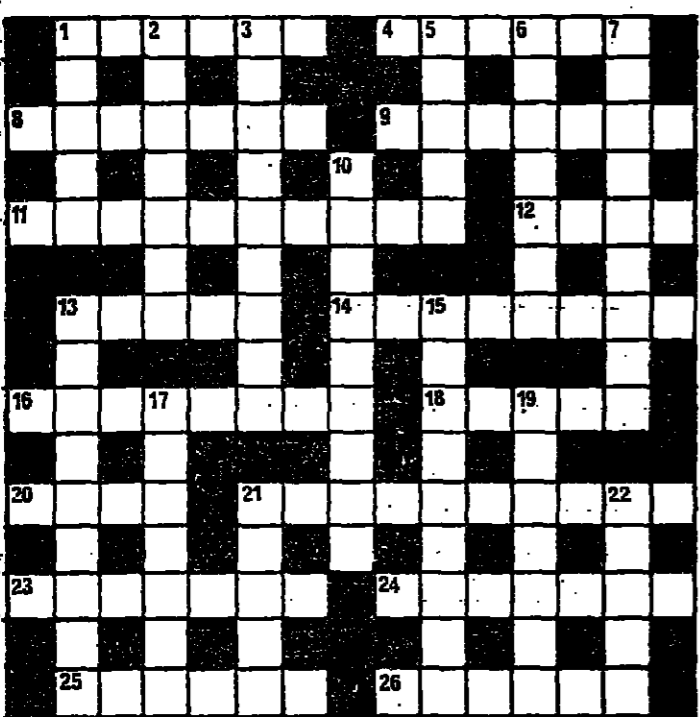
Since Gian-Carlo Menotti is now almost an honorary Scot, complete with castle, it seems fair enough that the Edinburgh Festival should salute his operatic work...

with his customary skill. Though there is a variety of opinion about his music, there is no doubt at all about his acute stage-sense...

with Menotti they stem from real people's talk and manners. It is many years since I heard The Telephone, but idiomatically memorable phrases come round again like dubious old friends.

Brown's dank shabby-genteel parlour and vaguely foreign costumes were impeccable, and so were Elizabeth Carron, John Florito and Judith Weyman as the said clients.

F.T. CROSSWORD PUZZLE No. 5,495



A prize of £10 will be given to each of the senders of the first three correct solutions. Solutions must be received by next Thursday...

Name: Address: fields for crossword puzzle submission

- ACROSS: 1 Doctor gets into unorthodox movement (6) 4 Strands the fools outside the Swedish capital (6) 8 Swear to get the first mate one in writing (7) 9 See 11 across 11, 9 and 12 across. It's inclined to be a tourist attraction (13, 7, 5, 2, 4) 12 See 11 across 13 Shoot a young man (5) 14 Locked in here for a while, you're expected to come clean (8) 16 Sid's backing a plot to murder (8) 18 Alert member follows a trainee (5) 20 Ed's drunk port (4) 21 Putting on chopped mint, Steven? (4,10) 23 A growing aid to modesty (3-4) 24 Meek Elizabeth gives a lodger (7) 25 Reached a similar sound conclusion? (6) 26 Skinhead dashed youth leader to floor (6)

- DOWN: 1 Dress up, starting hilarious laughter (5) 2 A glass pigeon (7)

BBC - 1

Indicates programme in black and white. 6.30-8.25 am Open University. 8.40 The Saturday Picture Show. 10.50 Saturday Morning Film: "Trail Street"...

CHANNEL 4

6.25 am Open University. 3.10 pm Saturday Cinema: Elvis on Tour. A film record of Elvis Presley's concert tour of America in 1972.

LONDON

6.20 am TV-am Breakfast Programme. 9.25 LWT Information. 9.30 The Smurfs. 10.00 Standby.

SOLUTION AND WINNERS OF PUZZLE No. 5,489

Mrs V. A. Carr, 32 Ford Lane, Didsbury, Manchester. Professor D. R. Wood, 27 Shire Oak Road, Leeds. Mr G. G. Sinclair, 17 Gardner's Crescent, Edinburgh.

CENTRAL

9.25 am Laurel and Hardy in "Six of a Dozen". 10.15 Saturday Morning Cinema: "David Copperfield". 5.05 pm "The World of Sport". 11.20 Portrait of a Legend.

GRAMMIPAN

9.30 am A Imajah Outreach. 8.50 Cartoon. 10.00 Standby. 10.15 Lights, Camera, Action. 11.25 Hanna Barbara Animal Show. 5.05 pm Chas. 12.00 Reflections.

GRAMADA

9.25 am The Wonderful Stories of Professor Kipling. 9.35 Saturday of the Coast. 10.00 Mart and Jenny On The Wilderness Trail. 10.25 Saturday Magazine "Flight of The Doves". 5.05 pm Chas. 12.00 Reflections.

HTV

9.25 am The Wonderful Stories of Professor Kipling. 9.30 Saturday of the Coast. 10.00 Mart and Jenny On The Wilderness Trail. 10.25 Saturday Magazine "Flight of The Doves". 5.05 pm Chas. 12.00 Reflections.

YORKSHIRE

9.25 am Regional Weather Forecast. 9.30 Saturday Morning. 10.25 The Friendly. 11.25 Concert Time. 11.30 Basketball Results. 5.05 pm Chas.

Company Notices

PETROLEOS MEXICANOS (Incorporated Public Agency of the United Mexican States). U.S. \$100,000,000. Floating Rate Note US\$88. Includes details of bond issuance and interest rates.

DB BANK DEUTSCHE GENOSSENSCHAFTEN

Table with columns: Description, Amount, Maturity Date, Identification Number. Lists various bank instruments and their details.

CZECHOSLOVAK DOLLAR BONDS

NOTICE IS HEREBY GIVEN that the TRANSFER BOOKS of the Czech Republic Agency Agreement... Includes details of bond transfer procedures.

Legal Notices

THE COMPANIES ACTS 1980 TO 1976. PANTHONIC LIMITED. NOTICE IS HEREBY GIVEN pursuant to Section 265 of the Companies Act 1948...

Art Galleries. ALLANS - HAND EMBROIDERED SILK. Includes information about art galleries and embroidery services.

هوان اهن القصل

LEISURE

Rival to the age of chips

BOOKS

WILLIAM ST CLAIR

THE MOST important advance in book technology came in the third and fourth centuries when the roll was replaced by codex. In all essential respects the format of the modern book has not changed since. It is the most convenient multiple-access information storage and retrieval system yet invented. It was fully established a thousand years before the invention of printing: talk of its imminent demise at the challenge of silicon chips is likely to prove premature.

The codex can be described as a collection of sheets of any material folded double and fastened together at the back or spine. It is usually protected by covers. In ancient times the main writing materials were papyrus and parchment, each of which is strong, flexible and durable enough to be used for either method of book production. For many centuries they divided the market between them. It is not known why the huge papyrus industry of the Nile valley gradually lost its competitive edge and eventually expired. No information on movements of comparative costs which could provide the answer is available. The security of supply was evidently also a consideration. Papyrus had to be imported from Egypt, while parchment could be manufactured in any place that contained animals. It is recorded that the Pergamum book manufacturers switched to parchment in 170 BC when imports of papyrus were temporarily interrupted, and then proceeded to export their product to third country their former suppliers.

Excavations in the present century among the ancient rubbish tips of Egypt have brought to light many thousands of papyrus fragments which illustrate the triumph of codex. A statistical analysis of dateable Greek literary fragments published in *The Birth of the Codex* by Roberts and Skeat shows that in the second century virtually everything still came from rolls. A century later half the fragments are from codices. By the fourth century the proportion has fallen to about 25 per cent and by the fifth to about 10 per cent.

Cost considerations contributed to the revolution. The codex permits writing on both sides of the pages and can be produced with half the material. It is wonderfully well adapted for storage on shelves, and the back can neatly be labelled. When a codex is bound with strong covers, the whole contents are secured, whereas rolls were liable to lose pages at the beginning which are most exposed to



Constantine Tischendorf: retriever of monastic 'rubbish'

wear and tear. No complete roll has survived from ancient times. I cannot doubt myself, however, that the decisive advantage of the codex was superior ease of handling. If you ever have a xerox made of a roll of a microfilm, you will need no convincing. Finding the right place is a bother even if the pages are numbered, and when you finally get to the end, the whole thing has to be rewound to be ready for future use.

If you try to read it through, as the ancients did, holding the unwound parts in one hand and winding on with the other, you can usually enact a convincing imitation of M Hulot. The rolls are either too tight and fly back together, or they are too slack and unroll themselves gracefully in both directions to the further corners of the room. If you need to compare passages on different pages the only thing to do is to find a long corridor, unravel the whole thing on the floor, holding it down at regular intervals with codices from your bookshelves, and scramble to and fro on your hands and knees.

The astounding thing is that once the codex had been invented, anyone should ever prefer the roll. But it was evidently believed for a long time that the codex lacked dignity compared with the most traditional format. St Augustine, that great apologist, apologised for writing in codex, and the Middle Ages, moved attitudes I always find puzzling, long preferred obsolete methods. The English law courts, seldom in the forefront of innovation, kept their records on rolls until the seventeenth century, and there is no proposal to retile the Master of the Rolls to reflect the change in

Janet Marsh urges exploration of attics Auction room treasures

THIS COLUMN is so often concerned with buying at auction, that it may be useful for a change to consider the practicalities of selling. Even with high commission charges, auctions are very often the most efficient and profitable way of disposing of unwanted goods.

The sale (unless you place your reserve price too high) is certain and payment fairly fast; and if you offer your goods in the right sale, you can feel secure that the price has been established in open competition.

The matter of the right sale can, of course, be crucial. If you are merely selling three-piece suits and other domestic throw-outs the obvious place is your local auction room with its heterogeneous offerings of garden barrows, refrigerators, bedsteads and battered wardrobes. It is possible, too, that the small out-of-town auction room will yield quite impressive prices for modest and honourably undistinguished antique furniture, and the Victorian dining tables and Pembroke, Georgian oak settles—the principle of the big fish in the small pool, and the premium on rarity of antiques in some out-of-town areas.

ventured to dispute his opinion on a watercolour. (It was a watercolour, and made a handsome price down the road).

Attitudes definitely changed when Phillips, with their longstanding record for good customer relations, moved back into the big-time, while Christies and Sothebys both opened branches equipped to deal with more modest areas of the auction market.

Service is still variable, but most of the "experts" you meet today are likely to be friendly and let you down gently when they are forced (as they very often are) to break it to you that your treasures are unmarketable.

To alert people to the unexpected treasures on which they may be sitting is one of the incidental purposes of the touring valuation service which all three of the major London auction houses now organise. The idea was originated by Christies in 1975, some time before the BBC introduced its television *Antiques Roadshow*.

Effects of Sotheby's buyer's premium still unclear Fine clarets lead field

THE FINAL two months of the 1983-84 London wine auction year were enlivened by the controversy created by Sotheby's decision at the beginning of June to impose a 10 per cent buyer's premium from which wine sales had been exempt since they were re-started by Christies in 1966 and Sotheby's in 1970.

The argument was that wine, unlike other items sold by auction, was a commodity, whose prices in the saleroom should roughly tally with those in the trade outside. In announcing the premium—without much publicity and rather surprisingly in mid-season—Sotheby's claimed that processing the sales, which increasingly were of wines from abroad or in small quantities, had become more costly and even unprofitable.

As the vendors could not be expected to pay higher commissions, the buyers must provide the extra cash. Indeed they have done so, as in the last three sales of the season they paid out more than £53,000. At the same time vendors' commissions were reduced: from 10 to 6 per cent on large quantities.

In reply, Christies still relied on the commodity argument and claimed that a buyer's premium would distort the market. It also issued statistics demonstrating that, following the imposition of the premium, prices for a number of fine wines had been higher at Christies than at Sotheby's.

Thus, vendors did better and buyers shied off having to add 10 per cent to their bids. Christies was neither going to impose a premium nor cut its commission rates (15 and 10 per cent).

WINE EDMUND PENNING-ROWSELL

For both auctioneers their increased receipts resulted principally from the strength of the dollar, Deutsch-Mark and Swiss franc. For American buyers in particular prices were often as attractive in London for older claret vintages as they were for young ones in Bordeaux. There were no special sales, no "unearthed" cellars, although Christies sold some very interesting wine from private French caves.

Fine clarets remain the chief attraction for foreign buyers and a smaller number of domestic amateur collectors. Sotheby's sold for £7,200 yet another of those jeroboams (six bottles) of Mouton-Rothschild 1929 that from time to time still appear in the sale room. Relatively even dearer, Christies sold single bottles of the very moderate 1946 vintage of Mouton-Rothschild for as high as £2,300 apiece and others never for less than £1,050.

Otherwise the claret for which there seems no rational price limit is Petrus. A single bottle of the '45 brought £720, three bottles of the '49 rose to £1,500, four bottles of the '49 went for £1,050, and a single '61 made £575. Later vintages, with the previous year's top price in brackets, included 1966—£2,100 (£1,600), 1970—£1,850 (£1,650), 1975—£1,400 for six magnums (£1,050), 1976—£680 (£580), 1978—£1,000 (£750).

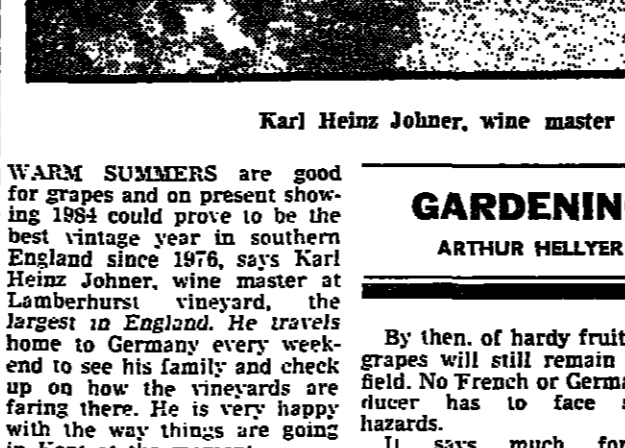
For the scarcely less popular though rather more available '61s, the top prices per dozen for the first-growths, with last year's totals in brackets, were as follows: Lafite—£2,500 (£2,300), Latour—£2,000 (£1,700), Margaux—£2,000 (£1,700), Mouton-Rothschild—£2,400 (£2,000), Haut-Brion—£1,800 (£1,350) and Cheval-Blanc—£1,500 (£1,160). Palmer '61 which fetches as high a price as some first-growths reached £1,900 (£1,450).

La Mission-Haut-Brion '61, equally sought-after, rose to £1,900 (£720 for six bottles). Sharp rises were recorded for the other classed-growths '61s, including Beycheville—£720 (£560), Ducru-Beaucailou—£840 (£620), Gruaud-Larose—£880 (£500) and Léoville-Las-Cases—£720 per six magnums (£490).

Fairly similar proportionate increases were shown for such fine vintages as '66, '70 and '75, while the '78s are beginning to appear more regularly in the saleroom and to move up in price.

Good prices were recorded for Taylor, nearly always the saleroom's favourite brand. Two bottles of '27 went for £210, £950 was paid for a case of '35 and £1,450 for one of '45. The '48 made £680 and the '55 £640.

Vintage year for English wines



Karl Heinz Johner, wine master at Lamberhurst

WARM SUMMERS are good for grapes and on present showing 1984 could prove to be the best vintage year in southern England since 1976, says Karl Heinz Johner, wine master at Lamberhurst vineyard, the largest in England. He travels home to Germany every weekend to see his family and check up on how the vineyards are faring there. He is very happy with the way things are going in Kent at the moment.

Lamberhurst now has 34 acres of grapes, and Mr Kenneth McAlpine, the proprietor, has acquired a further eight acres at Horam from Merqdown. There are now about 300 vineyards in England and Wales, most northerly being that in the Sitwell Garden at Renishaw, Derbyshire, but the greatest concentration is in Kent. Sussex, Hampshire, Somerset, Wiltshire, Essex, Suffolk and Norfolk where soil and climate are most favourable.

GARDENING ARTHUR HELLER

By then, of hardy fruits, only grapes will still remain in the field. No French or German producer has to face similar hazards.

It says much for the enthusiasm and skill of English vineyard owners that they are constantly increasing in numbers and acreage.

This requires only 450 vines per acre and results in a better exposure of grapes to the sun and more convenient height for management and harvesting.

Yet another problem for vineyard owners is the control of the leaves, which can entail a lot of expensive spraying requiring skilled control. One way around this is to plant varieties that are disease resistant, such as Seyval Blanc, a hybrid which only needs protection against botrytis grey mould.

It makes a very pleasant fruity wine and Lamberhurst grows six acres of it—more than any other variety except the very popular Muller-Thurgau which easily tops the list at 14 acres. The 1982 vintage of this grape is dry and very pleasant.

Why you can't bet on Steve

RACING DOMINIC WIGAN

BRITAIN'S jockey championship—it goes to the man who rides more winners than anyone else in a Flat season—is one of horse racing's glittering prizes. The names on the roll of fame add up to a formidable Who's Who of racing: Richards, Figgott, Carson, Eddery and so on.

This year should see Steve Cautchen, a young man from America, joining this racing elite. Ladbrokes, whose last price was 4-1 on, has now stopped taking bets so far ahead is Cautchen of Figgott and Carson, the reigning champion. Even the modest Cautchen himself, after weeks of reticence, is at last beginning to sound confident. "I must have as good a chance as any of winning the championship, but you can never tell with the constant threat of injury and suspension."

He said that ten days ago, following three winners at Ayr, which put him 13 ahead of his closest pursuer, Lester Piggott. Whatever anyone's views on the respective merits of the leading riders, no one can deny that Steve Cautchen has worked hard for a British championship.

What is more, things have not by any means always gone smoothly for him. He was almost written off by a notoriously fickle American racing public during a disastrous 1978 spell, after having notched a staggering 487 winners only the previous year. And he found new extra rides coming his way after his introduction to British racing in 1979 in spite of the efforts of Barry Hills, whom he joined as stable jockey on the encouragement of Robert Sangster.



New champions for old: Cautchen (above), Piggott (below).



After a modest 59 winners in that year Cautchen progressed to total of only 61 and 87 in 1980 and 1981 respectively, before sounding warnings on possible championships to come with over 100 winners in the two following years.

Right from the outset, the 1984 season always looked like affording a new stronger and more confident Cautchen. He has been riding better than ever. His lead over champion jockey Willie Carson, had been whittled to uncomfortably few when Carson bowed out through a wrist broken in Italy. Only six days later at York, Carson's principal employer, Dick Hern, provided Cautchen with three winners—Straight Man, Fortysecond Street and Bespoke.

Stubble, stubble, toil and trouble

COUNTRY NOTES JOHN CHERRINGTON

THE MODERN village is far from being a functional entity where those who toil on the land take their rest and recreation. It is now a mixture of commuters and the retired, to say nothing of weekenders, who look upon the rural scene as a source of relaxation and exercise for themselves and their dogs.

They have no inkling or sympathy with the few—the very few—whose livelihood depends on modern farming and they object vocally to everything from manure spreading to tractor noise—and particularly to straw burning.

Just as the Children of Israel found they could not make bricks without straw, farmers cannot produce grain crops without it either. The trouble is that in Egypt straw had a vital function. There is no such use for it, brickmaking or otherwise, in twentieth century Britain.

Following last summer's outcry over uncontrolled straw burning, the Government and the NFU have agreed a code of practice backed by heavy fines. This should obviate excesses such as burnt out hedges and trees.

You may wonder why farmers don't just plough in their straw. They do this often on the Continent but this presents major difficulties here. Cereal farmers have few alternatives to grain growing and raw straw ploughed under reduces the succeeding crop. The soil bacteria which break raw straw down to an acceptable form of humus or plant food just cannot cope with the extra load: fertility suffers.

There is no obvious answer to burning unless it is to be followed by a non-straw crop such as beet, potatoes and vegetables—and all are either under quota or in market oversupply. The best suggestion is that straw should be chopped by machine into short lengths, about an inch long, which makes absorption by the soil much easier and facilitates cultivation. These machines are used in Europe and are coming into use here. But supplies for this year are limited, and where used are not universally acceptable. A public spirited farmer with a social conscience—yes, there are many such—gave up burning and bought a chopper which he put to work the other Saturday. It worked very well and chopped the straw into tiny fragments. Within a few minutes a great cloud of dust had risen from the field and had invaded the village, arousing a hostile clamour far louder than anything caused when he used to burn.

A NEW STRATEGY FOR WARBURG

The house Sir Siegmund built

By John Makinson

Two crises in slow motion

IT'S DREADFULLY close in the hush this month, as the post might have put it on an off day—the kind of weather is provokes uneasy dozing...

ings growing obstinately at nearly 8 per cent annually, and a slowdown in the previously strong growth of productivity...

Sullen gilts

The economic slowdown suggested by our own latest figures for output and car sales, and by U.S. retail sales...

Domestic problems

So far as our little domestic problems are concerned, it does begin to look increasingly likely that the Government will "win" this confrontation...

Magnanimity in victory

What is not clear is what a win will be worth. Will this be another Falklands victory, leaving the two sides in motionless hostility over a symbol?

Unbearable Squeeze

Perhaps this will bring home to President Reagan, as nothing seems to have done until now, the fact that the present squeeze on credit markets...

"WHAT worries me very much, quite frankly, is that we are already getting too big on both sides of the Atlantic..."

No-one will ever know what Sir Siegmund Warburg would have made of the week's announcement from the merchant bank he founded...

S. G. Warburg is becoming bigger—much bigger—and in the process is committing itself ever more firmly to its home turf, the City of London...

Once accomplished, the merger will leave Warburg in effective control of an institution employing between 1,500 and 1,700 people...

The parties to the transaction (see box) are hoping to create a financial institution broadly resembling a U.S. investment bank...

The new organisation will take positions in securities markets

and corporate clients, covering everything from the issuing of shares and bonds to foreign exchange, equity research, international securities dealing and government advisory work...

The consummation of this multiple marriage will have to await changes in the London Stock Exchange's rule-book, which prohibits full mergers between jobbers, stockbrokers and merchant banks...

The guiding light in the negotiations leading up to this week's announcement has, by common consent, been S. G. Warburg. The bank's present



Past and present: Sir Siegmund Warburg (left) and Mr. David Scholey

shareholders will own a majority stake in the company formed to unite the four existing firms and the chairman of the new company will be Mr. Scholey, the present

Indeed, Sir Siegmund Warburg would have had nothing but praise for some aspects of this week's agreement. Its diabolical financial complexity would certainly have appealed to him...

S. G. Warburg was established in its present form in 1946. Siegmund Warburg left his family bank in Hamburg shortly after the Nazis took power and by way of the Netherlands and Sweden, he arrived in London...

But it was not until 1958 that Siegmund Warburg truly made his mark in the City. On behalf of Reynolds Metal, a U.S. company, and Tube Investments of the U.K., Warburg secretly accumulated a 10 per cent interest in British Aluminium...

A Consortium of prominent merchant banks announced that it was resisting the bid "in the national interest" and effectively ostracised Siegmund Warburg. As the banker was later to recall: "Some people in very good houses talked very nastily behind my back..."

THE NEW ALLIANCE
S. G. Warburg—one of the City's elite merchant banks with a strong reputation in corporate finance, the Eurodollar market and investment management...
Rowe & Pitman—the Queen's stockbroker and a long-established corporate finance specialist...
Muller—the Government Broker, a status which until now has given it the exclusive right to channel gilt-edged securities into the market...
Akroyd & Smithers—one of the two biggest stockbrokers in London, participating in almost half the gilt-edged transactions...

respect in which it is held around the world. Warburg's men do not invariably work 16-hour days, seven days a week, as legend has it...

There is little substance in the theory that a banker needs to be a Jewish, Wykehamist accountant to get on at Warburg

down-market an operation to suit either parent. An inherently weak business, it suffered the joint handicaps of a small capital base, very high fixed costs and volatile revenues. "All harness—no horsepower" was the apt judgment of one American investment banker on the Warburg-Paribas connection...

Whether this distinct esprit de corps will translate to a larger organisation is open to question. Warburg has traditionally resisted even the establishment of foreign offices, preferring to fly people out from London...

Determination to maintain the Warburg traditions
Yet, through all this, there is a conspicuous determination on the part of the Warburg directors to maintain the traditions of Sir Siegmund. The bank's founder described David Scholey as an adopted son...

Chinese walls in the City

From Mr S. Green. Sir—May I take issue with Richard Lambert's 11th tenth classic financial scandal (August 15)...

The idea that conglomerates combining broking, dealing, market-making and fund management can be controlled by self-regulation can only have been conceived behind a looking glass...

A gliding Gladiator

From Mr J. Towey. Sir—Janet Marsh (August 4) states that there is no known airworthy example of the Gloster Gladiator...

knots this wonderful aircraft arrived over the airfield with sufficient height to complete a circuit before touching down! After 42 years it will be a great experience to see her again...

Jack Towey, Rose House, Richards Castle, Ludlow, Salop.

What the records show

From Mr C. Russell. Sir—Janet Marsh, in her article "Treat yourself to a Spitfire" (August 4) is sadly misleading in her statement...

Company and service records show 308 delivered by the outbreak of war September 3 1939, and that the original contract of 310 completed its delivery four days later September 7 1939...

Preserve an Anson
From Mr J. Tyler. Sir—Unfortunately, the aircraft that Mr Goss has observed deteriorating at Llanbedr

Letters to the Editor

(August 15) is not a Beaufighter, but an Avro Anson, many examples of which are already preserved around the country...

Aid for striking miners
From Mr M. Day. Sir—It appears (August 9) that sympathetic local councils and collections made at factory gates may not be either the principal or the only sources of financial support for striking miners and NUM pickets...

A far-sighted developer
From Mr R. Hopkinson-Woolley. Sir—It is a pity that A. L. Rowse seemed to overlook, in his review (August 11) of the new history of the University of Oxford, one of our first great entrepreneurs...

Sartorial excellence
From Dr C. D. Needham. Sir—Carla Rapoport (August 13) tells us that the effects of business lunches defeat our modern tailors...

Pestilential song birds
From Mr M. Brown. Sir—Mr Cherrington (August 11) is probably right in his approval of the shooting of pestilential song birds...

Boardroom politics
From Mr G. MNU. Sir—When wide-awake companies like BTR, Hanson Trust and Recal (Lex August 8) avoid

Generally accepted
From Professor D. Myddelton. Sir—At times of zero inflation, constant purchasing power accounting is identical with unadjusted historical cost

Advertisement for Williams & Glyn's Bank. The ad features the bank's name in large, stylized font. Below it, it announces that the base rate for advances is reduced from 11% to 10 1/2% per annum, and that interest on deposits at 7 days notice is reduced from 8% to 7 1/4% per annum. It also mentions that the bank has announced changes with effect from 20th August 1984.

Handwritten Arabic text at the bottom of the page, possibly a signature or a note.

Companies and Markets

UK COMPANY NEWS

U.S. group's £420,000 for Shuck company

BY ALEXANDER NICOLL

Clabir, a U.S. holding company, is taking control of Associated Telecommunications from Mr Ron Shuck. It will inject capital into the consumer finance division of the company...

The agreement is subject to approval by independent shareholders and listing of the shares by the Stock Exchange. The Exchange has been involved in the recent talks...

Clabir will underwrite a rights issue raising £1.5m for the consumer finance division, which will be developed as a financial services company with a new name.

Chadwick, according to yesterday's announcement, "has been slow to achieve the results expected." When Chadwick is sold back to Mr Shuck by AT for a nominal amount...

Clabir International, its UK arm headed by Mr Nicholas Kirtley, formerly of Morgan Grenfell, owns about 35 per cent of Sheraton Securities, a USM-quoted property development company...

Clabir holds 23 per cent of FPH, a UK property investment company, and 5 per cent of the English Association, the small merchant banking group.

John Brown says 'no distress divestment'

REFERRING IN his annual statement to the continuing implementation of its corporate plan, Sir John Cuckney, the chairman of John Brown Engineering...

Sir John says that in the case of John Brown Engineering, which is profitable and a "very fine business with some unique capabilities," it remains faced with a severely depressed market...

Asian hotelier to bid £13m cash for London Park group

BY CHARLES BATCHELOR

Rushlake Investments, the newly-created company controlled by Mr Nurdin Jivraj, the Asian hotelier, will on Monday announce details of a cash bid worth about £13m for London Park Hotels, formerly the Rowton Hotel group.

The bid has been triggered by the completion yesterday of the purchase by Rushlake of a 28.57 stake in London Park built up in recent months by another Asian hotelier, Mr Nazim Virani and his publicly quoted company Belhaven Brewery.

Wholesale Fittings £1m ahead

GROWTH has continued at Wholesale Fittings and profits for the year ended April 27, 1984 have turned out to be a record, showing a 11m advance to £4.95m.

The group, which carries on business as a wholesale electrical distributor, opened two additional depots in Kingston-upon-Thames and Southampton during the year.

The directors state that trading conditions continue to be difficult, but turnover for the first quarter of the current year shows an increase compared to the corresponding period last time.

After tax £2.28m (£1.79m) the net profit came out at £2.67m (£2.13m) for earnings of 19.1p (15.2p) per share.

comment WF continues to power ahead in the face of unchanged difficult trading conditions. Sales eased slightly in the second half but the company's flexibility enabled it to recoup this hiccup through improved margins...

Laporte will net £81m from titanium sale

THE SALE by Laporte Industries (Holdings) of its UK and Australian titanium dioxide businesses will be for a cash consideration of some £84m, including the repayment of indebtedness, of which £75m is due on completion.

In a circular giving full details and their recommendations to shareholders to approve the sale (to SCM Corporation of New York), the directors say that in the current year the level of demand for titanium dioxide has increased with some improvement in price, and those factors, together with the continued benefits of rationalisation, have meant that trading results have been running at some 34 to three times the rate for the whole 1983.

With those having lower capital requirements. With regard to current trading of the group, they say 1984 started well and is "continuing in a most satisfactory way." In addition, new businesses are rapidly becoming more important to profit terms.

Final consideration for the sale will depend on completion of an audit of the net current assets which is expected to be finished in early November. Sir John Warburg has advised Laporte in the negotiations.

Horizon and Grand Met talks end By Alison Hogan Horizon Travel, the third largest UK travel company, has ended negotiations with Grand Metropolitan, the leisure group, over a possible tie-up.



Sir John Cuckney, chairman of John Brown

ing some non-gas turbine business to use profitably its specialist engineering capacity.

It should also be in due course benefit from new technological developments arising from its role as a manufacturing associate of the General Electric Company (USA), Sir John adds.

The chairman confirms that the group is slightly ahead of schedule in a number of respects in implementing its corporate plan. This recovery plan envisages a return to profitability in 1985-86. Group pre-tax losses for the year ended March 31, 1984 were cut by £3m to £5.61m, slightly better than the £6m forecast last January at the interim stage.

John Brown is now roughly half way through its disposals programme. Disposals since the year end include withdrawal from the UK machine tool operations and from the major part of the group's engineers' cutting tool operations.

Sir John explains that he is deferring the making of a statement about the group's current year's trading experience until the annual meeting, which is to be held on September 14 at the Great Western Hotel, W, at 10.30 am.

Profit margins under pressure at Unidare

Profit margins at Unidare came under pressure in the first six months of this year from an increase in raw material costs and competitive selling prices.

Unidare, a Dublin-based manufacturer of electrical cables and transformers, experienced a 15 per cent rise in turnover to £25.42m but only a 7 per cent increase in taxable profits from £580,000 to £820,000. Pre-tax profits as a percentage of sales slipped from 3.89 to 3.62.

Earnings per share rose from 3.11p to 5.31p, reflecting the benefits of the reduction in Corporation Tax and the interim dividend being lifted by 10 per cent to 2.2p.

Tax payable for the period amounted to £173,000, against £392,000, after which minority interests accounted for more in 1984. There were tax credits of £7,400 (charge £538), leaving a net balance of £9,166 (£3,334) paid in earnings of 0.38p (0.14p adjusted) per share. The single final dividend is being effectively held at 0.05p.

Dura Mill Profits before tax of Dura Mill, engaged in cotton doubling, man-made fibres and yarn merchant, fell from £3,972 to £1,766 in the 12 months to end-March 1984. The result was struck on turnover of £918,319 compared with £779,082. There were tax credits of £7,400 (charge £538), leaving a net balance of £9,166 (£3,334) paid in earnings of 0.38p (0.14p adjusted) per share. The single final dividend is being effectively held at 0.05p.

Ault & Wiborg returns to the black at halfway

A NEAR £1.4m improvement on the chemicals and printing inks sides has enabled the Ault & Wiborg group to offset a £666,000 downturn in paints and record a profit of £202,000 in the half year ended June 30 1984, against a loss of £187,000 in the previous year.

Future dividends, they say, will depend both on profitability and the overall financial position. For 1983 the company paid an interim of 0.5p net but missed the final, as the loss for the year was £207,000. This year Sun Chemical Corporation, of the U.S., has increased its interest in the Ault & Wiborg capital to over 80 per cent.

In the half year turnover moved ahead from £31.65m to £38.39m and gross profit from £7.84m to £10.1m. Deducting the usual charges, provision for Nigerian debts (£50,000), (£170,000), and redundancy and closure costs £416,000 (£183,000) leaves the operating profit at £1,088,000 (£612,000). This was analysed as in ink £444,000 (£60,000), paints loss £200,000 (profit £468,000), chemicals £1.48m (£475,000), environmental engineering, loss £18,000 (loss £6,000), lease income expenditure £623,000 (£588,000). After tax £100,000 (£42,000) the net profit is £102,000 (loss £230,000), which has been transferred to reserves—last time £37,000 was taken from reserves. Earnings are shown at 0.52p per share (loss 1.22p).

Horizon and Grand Met talks end

By Alison Hogan

Horizon Travel, the third largest UK travel company, has ended negotiations with Grand Metropolitan, the leisure group, over a possible tie-up. "We have decided that we would prefer to remain independent and no further discussions are planned," said Mr Bruce Tanner, the Horizon chairman, yesterday.

GrandMet chairman, Mr Stanley Grinstead, said that he would consider the position, but would require more financial information before deciding whether to proceed with a formal bid for the company.

He said that Horizon's interim figures to May, due on Wednesday, "might be helpful" in determining GrandMet's next move.

Horizon revealed that it had received an approach from GrandMet, which might or might not lead to a bid, at the beginning of the month. GrandMet announced its intention, last year, of expanding its presence in the package tour business.

Horizon's shares fell 183p on news of the breakdown in talks, yesterday, but rose to close unchanged at 175p by the end of the day on hopes that a bid might yet be forthcoming.

Pifco ahead at £1.55m

Pifco Holdings, maker of personal care and electrical appliances, recovered the midway shortfall of £40,000 to finish the year to April 30 1984 with pre-tax profits ahead from £1.42m to £1.55m.

Earnings per 20p share improved by 3.5p to 20.5p and the final dividend is 3.52p (same) net for an unchanged total of 5.32p.

£977,000. After tax of £510,000 (£572,000) and an extraordinary debit this time of £169,000 for deferred tax, the net balance came out £27,000 higher at £879,000. Earnings per 20p share improved by 3.5p to 20.5p and the final dividend is 3.52p (same) net for an unchanged total of 5.32p.

Fleming Japan pays 2.5p

The Fleming Japanese Investment Trust is recommending a final dividend of 2.5p, making 3p for the year ended July 31, 1984. This compares with a forecast that it was unlikely to exceed 1.75p, and with 3.5p paid in the previous year.

Net revenue has fallen from £588,000 to £480,000. While the net asset value at 46p.18p is ahead of the 38p.5p a year ago, it reflects a drop compared with 50p.2p at January 31 1984. In 1983 the company switched its funds into lower-yielding Japanese investments, and some 97 per cent of the portfolio is held in Japan. Gross income for 1983-84 came to £1.26m (£1.43m). Interest took 304,000 (£32,000) and tax £275,000 (£221,000). Earnings were 3.08p (3.5p) per share. The interim dividend for the current year is also declared, being maintained at 0.5p.

Pitney Bowes midterm fall

Start-up costs of marketing new products have depressed the trading results of Pitney Bowes in the first half of 1984. Although sales showed a rise from £21.22m to £23.57m, the pre-tax profit is off by £362,000 at £2.15m.

Trading profit fell from £1.96m to £1.31m, but was cushioned to some extent by an increase from £590,000 to £869,000 in net investment income. After tax £885,000 (£1.28m) the net profit comes to £1.29m (£1.23m). The company makes, supplies and services mailing machines, mailing scales, addressing machines and fax

Battle for Munford looms as Tunstall rivals Lep bid

BY ARNOLD KRANSORFF

A BID BATTLE appears to be on the cards for Munford & White, a security alarm manufacturer which earlier this week agreed terms for a takeover by Lep Group, an international freight forwarding company.

The new approach comes from Tunstall Telecom Group, a communications equipment manufacturer which earlier this week agreed terms for a takeover by Lep Group, an international freight forwarding company.

At last night's closing prices, Tunstall's bid is worth £4.32m, compared with Lep Group's £4.38m. These offers are based on a Tunstall price of 29p unchanged, a Lep price of 135p, up 9p, and a Munford price up 9p to 134p.

These share price movements have resulted in Tunstall's offer being slightly less than Lep Group's.

The Tunstall offer is on the basis of six of its ordinary shares for every 13 ordinary Munford shares. Full acceptance of the offer will involve the issue of 1.4m new ordinary Tunstall shares.

Tunstall intends that Munford will continue to operate under its own autonomous management as a unit within the group. The offer will involve the issue of 1.4m new ordinary Tunstall shares. Tunstall intends that Munford will continue to operate under its own autonomous management as a unit within the group. The offer will involve the issue of 1.4m new ordinary Tunstall shares.

Glossop discloses reasons behind agreed takeover

Glossop, the road surfacing systems bought by Glossop just over two years ago. Trading conditions in the past two years, in the public works contracting and road maintenance fields have become increasingly difficult and larger contractors will be better placed to operate profitably, it said.

Roadways profit of £450,000 is before extraordinary charges of £220,000 reflecting rationalisation costs in the south-west region and certain closure costs. The AAA group profit figure is arrived at before taking into account an extraordinary credit of £320,000, principally reflecting the disposal of Metrotract. AAA is to be sold to its directors for

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Table with columns: Company, Current payment, Date, Corrs. of spending, Total, Total for last year. Includes Ault & Wiborg, Dura Mill, Fleming Japanese, Fleming Japanese.

Gaskell turns in £0.47m

Gaskell Broadloom, maker of £246,000 net profits were down

Reuters flotation enhances Independent News earnings

THE RECENT Reuters flotation bolstered first-half earnings at Independent Newspapers following a virtually static trading result.

Turnover of this Dublin-based publisher of the Irish Independent, Evening Herald and The Kerryman rose from £34.12m to £37.62m over the first six months of 1984, but taxable profits only emerged £32,000 higher at £1.35m.

Link House in free sheet deal

Link House Publications has paid £1.1m in cash for a 31 per cent interest in Yellow Advertiser Newspapers Group (Yang), a leading UK independent free newspaper publisher, which runs 20 papers under the Yellow Advertiser and Informer banners. Yang has developed a major publishing base in Essex and East London which has, since 1981, been successfully extended to West London and Surrey. Yang has a policy of reinvesting profits into new developments in publishing and has also invested

هكذا صحت القول

UK COMPANIES

INTERNATIONAL COMPANIES and FINANCE

RESULTS DUE NEXT WEEK

W. H. Smith & Son (Holdings) forecast during its abortive bid for Martin the Newsagent in May that annualised profits would rise from £26.7m to at least £37.5m in the 12 months to its new year-end to June 2. Analysts believe that the group may even do slightly better than that when it publishes its results on Wednesday. Do it All should at last be making a significant profit, of perhaps £1m, while there should be a strong advance from retailing thanks to the diversification into higher margin products like home computers, where W. H. Smith is the largest retailer in the UK. The City will be watching its record sales closely for any signs of loss of market share to aggressive competitors like Cur Price. Newspaper wholesaling should turn in more or less static profits, while the book club and travel agencies are expected to benefit from an increase in disposable income. A £5m net total on the enlarged equity is forecast for the "A" shares, giving an annualised 4.2p.

Blue Circle Industries will incur heavy redundancy costs in the UK this year, but it is clear how they will be apportioned between the two trading periods. For that reason, the City is divided over whether taxable profits for the first half to June will show a small advance or small decline from the previous interim's £48.2m when the group announces its results on Thursday. UK industry-wide volumes were up by 34 per cent in the first half with prices remaining static. Blue Circle's own UK volumes should have lagged behind that because of its exposure to the depressed Irish, Welsh and Scottish economies. The U.S. contribution should be boosted by last year's acquisition of three plants, and a lively construction industry. The Malaysian subsidiary and Australasian associates have already reported useful profit increases, while Latin American operations should be recovering.

It is all smiles these days in the UK life assurance industry, in contrast to the depression hanging over the general insurance operations. This buoyancy should be reflected in life company interim figures over the next few weeks, starting with Pearl Assurance on Wednesday. Its shareholders' life profits should show a rise of at least one-fifth from £8.3m to £7.5m as the life and pension funds benefit from strong stockmarkets and past conservative valuations. Poor performance in Pearl's general insurance operations, mainly in UK personal lines, will trim this rise back somewhat, the motor and household accounts being particularly affected. Net profits should show a 10 per cent rise to £7.7m.

Table with 4 columns: Company, Announcement due, Dividend (p) Last year, Final, Dividend (p) This year, Final. Includes companies like W. H. Smith & Son, Blue Circle, Pearl Assurance, etc.

Warner Communications in talks to ease credit terms

By DAVID BLACKWELL IN NEW YORK. WARNER COMMUNICATIONS, the U.S. entertainment group, is renegotiating its revolving credit agreement with a group of banks led by First National Bank of Boston and Manufacturers Hanover Trust. The group is unable to meet the present terms because of its \$475.5m net loss in the second quarter.

Air Canada tumbles 67% in second quarter

MONTREAL—Air Canada's profit for the second quarter fell by 67.2 per cent as lower fares offset an 11 per cent increase in passenger traffic. The state-owned airline reported net income of C\$4.4m (US\$3.4m) in the quarter compared with profit of C\$13.4m in the same period last year. Revenue rose 9 per cent to C\$645.5m from C\$592.3m.

Poor demand forces review of Canadian pay television

By BERNARD SIMON IN TORONTO. THE CANADIAN authorities have approved proposals to restructure the country's pay television service into two regional monopolies as part of efforts to reverse the industry's disappointing performance since pay-TV was introduced in February 1983.

Turnround at Air New Zealand

By DAI HAYWARD IN WELLINGTON. AIR NEW ZEALAND has turned in a record net profit for 1983-84 of NZ\$102.4m (US\$51.2m). For the first time in five years the carrier is reporting an operating profit—of NZ\$79.2m compared with last year's loss of NZ\$32.5m.

Santos bids for fellow Cooper Basin unit

By Lachlan Drummond in Sydney. SANTOS, the Australian oil and gas company, has launched a A\$105m (US\$88m) bid for fellow Cooper Basin oil and gas group, Alliance Oil Development (AOD). Santos obtained 19.9 per cent of AOD after a rush of trading yesterday morning.

ABN cuts dividend as first six months profit slides 25%

By WALTER ELLIS IN AMSTERDAM. ALGEMENE BANK Nederland (ABN), the largest commercial bank in the Netherlands, has cut its dividend following an expected drop in earnings for the first half of this year.

Advisory role for Kleinwort in Malaysia

By Wong Sulong in Kuala Lumpur. KLEINWORT BENSON, the UK merchant bank, has been appointed as one of the advisers to the Malaysian Government on the privatisation of Telecoms, the state-owned telecommunications company.

Highveld Steel recovers as sales almost double

By JIM JONES IN JOHANNESBURG. HIGHVELD STEEL and Vanadium, the South African steel and alloys manufacturer, recovered strongly in the six months ended June 30. Turnover almost doubled to R306.2m (S133.8m) from R108.1m and pre-tax profit increased to R14.2m from R8.6m.

Clydesdale Bank PLC announces that with effect from 20th August 1984, its Base Rate for Lending is being reduced from 11% to 10 1/2% per annum.

Standard Chartered Bank announces that on and after 20th August 1984 its Base Rate for lending is being decreased from 11% to 10 1/2% p.a.

Granville & Co. Limited Member of NASDIM. Over-the-Counter Market table with columns for High, Low, Company, Price Change, Gross Yld., P/E, and % Chg. Daily.

WESTAVON SECURITIES (OVERSEAS) LTD. Brough House, Rue Du Pavé, St Peter Port, Guernsey Channel Islands. Tel: 0450 2565 Telex 4915.

The Merchants Trust PLC Change of Investment Policy. In his statement accompanying the Trust's interim results (for the six months ended 31 July 1984) the Chairman, Mr Martin Jacob, announced a major change of investment policy.

The Royal Bank of Scotland Base Rate. The Royal Bank of Scotland plc announces that with effect from close of business on 20th August 1984 its Base Rate for lending is being decreased from 11 per cent per annum to 10 1/2 per cent per annum.

United Trust & Credit PLC. The Directors of United Trust & Credit PLC, its subsidiary and associated companies, have pleasure in advising that as from 20th August, 1984 their offices will be at: 55 Grosvenor Street, London W1X 9DB.

CAPITAL STRATEGY FUND LTD. Garimore Fund Managers Intl Ltd. 6 Caledonia Place, St Helier Jersey, CI - Tel: 0534 27301 Telex: 4192030

WORLD STOCK MARKETS

NEW YORK

Table of New York stock market data including various stock prices and indices like Dow Jones and S&P 500.

STOCK

Table of international stock market data for various countries including Canada, Australia, Germany, and Japan.

WALL STREET

Pressured by profit-taking

Text article discussing market conditions, profit-taking, and the impact of the Toronto Composite Index.

CANADA

Text article about the Canadian market, mentioning the Toronto Composite Index and gold prices.

AUSTRALIA

Text article about the Australian market, discussing the All Ordinaries Index and industrial shares.

GERMANY

Text article about the German market, mentioning the DAX index and industrial shares.

TOKYO

Text article about the Japanese market, discussing the Nikkei Dow Jones Average and industrial shares.

EXPORT-ORIENTED SHARES

Text article about export-oriented shares and their performance.

PARIS

Text article about the Paris market, mentioning the CAC index and industrial shares.

AMSTERDAM

Text article about the Amsterdam market, discussing the AEX index and industrial shares.

HONG KONG

Text article about the Hong Kong market, mentioning the Hang Seng Index and industrial shares.

SINGAPORE

Text article about the Singapore market, discussing the S&P index and industrial shares.

NEW YORK

Table of New York stock market data including various stock prices and indices like Dow Jones and S&P 500.

INDICES

Table of international stock market indices for various countries including Canada, Australia, Germany, and Japan.

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WALL STREET

Text article discussing market conditions, profit-taking, and the impact of the Toronto Composite Index.

Footnote and notes section containing additional market information and disclaimers.

CURRENCIES, MONEY and CAPITAL MARKETS

Handwritten note: كوز اصبحت اقل

FOREIGN EXCHANGES

Sterling eases

Sterling was a little weaker in currency markets yesterday but did not appear to be under any great pressure. A fall of half a point in UK base rates was much in line with market expectations...

Against the dollar it slipped to \$1.3220-1.3230, a fall of 50 points from Thursday's close. It was weaker against the DM...

OTHER CURRENCIES

Table of other currencies including Argentina, Brazil, Canada, etc. with columns for currency, rate, and change.

EXCHANGE CROSS RATES

Table of exchange cross rates for various currencies like Pound Sterling, Deutsche Mark, etc.

THE POUND SPOT AND FORWARD

Table showing pound spot and forward rates for various countries and terms.

THE DOLLAR SPOT AND FORWARD

Table showing dollar spot and forward rates for various countries and terms.

Rates cut

UK base rates were reduced to 10 1/2 per cent yesterday from 11 per cent, following a further 1/2-point reduction in Bank of England money market dealing rates...

Market rates were little changed from Thursday, having already discounted a fall in base rates. Three-month interbank money was quoted at 10 1/2-10 3/4 per cent...

MONEY MARKETS

LONDON MONEY RATES

Table of London money rates including overnight, 7 days, 14 days, etc.

Discount Houses Deposit and Bill Rates

Table of discount houses deposit and bill rates for various banks.

FT LONDON INTERBANK FIXING

Table of FT London interbank fixing rates for various currencies.

EURO-CURRENCY INTEREST RATES

Table of euro-currency interest rates for various currencies and terms.

WEEKLY PRICE CHANGES

REVIEW OF THE WEEK

Large table of weekly price changes for various commodities like metals, grains, oil, etc.

Soviet buying rumour lifts sugar market

The London futures market and the December position finished £30 up at £1,684.50 a tonne, despite falling £9 yesterday...

BASE METALS

Table of base metal prices including copper, nickel, tin, etc.

COMMODITIES AND AGRICULTURE

REVIEW OF THE WEEK

prices consolidated after the recent steep decline that followed improved rainfall in growing areas. The April 1985 position ended the week £2.70 up...

WHEAT

Table of wheat prices and market news.

AMERICAN MARKETS

NEW YORK

Table of New York market prices for commodities like oil, sugar, etc.

CHICAGO

Table of Chicago market prices for commodities like grain, etc.

LONDON OIL

SPOT PRICES

Table of London oil spot prices for various grades.

GAS OIL FUTURES

Table of gas oil futures prices for various months.

GOLD MARKETS

Table of gold market prices and futures.

LONDON FUTURES

Table of London futures prices for various commodities.

ZINC

Table of zinc prices and market news.

ALUMINIUM

Table of aluminium prices and market news.

COCOA

Table of cocoa prices and market news.

POTATOES

Table of potato prices and market news.

COFFEE

Table of coffee prices and market news.

GRAINS

Table of grain prices and market news.

INDICES

Table of various financial indices like Dow Jones, etc.

CREDIT CARD DRINKING

Trials of a 'credit-card-drinking' scheme are to be extended beyond the London area. The scheme, which allows customers to buy drinks over the bar using credit cards...

SCIENCE MUSEUM

The Science Museum in London is more popular with young people than the Victoria and Albert Museum or the National Railway Museum at York, according to a survey published yesterday by the Office of Population Censuses and Surveys...

MARKET REPORT

RECENT ISSUES

Expected cuts in base lending rates materialise but gilt-edged market unresponsive

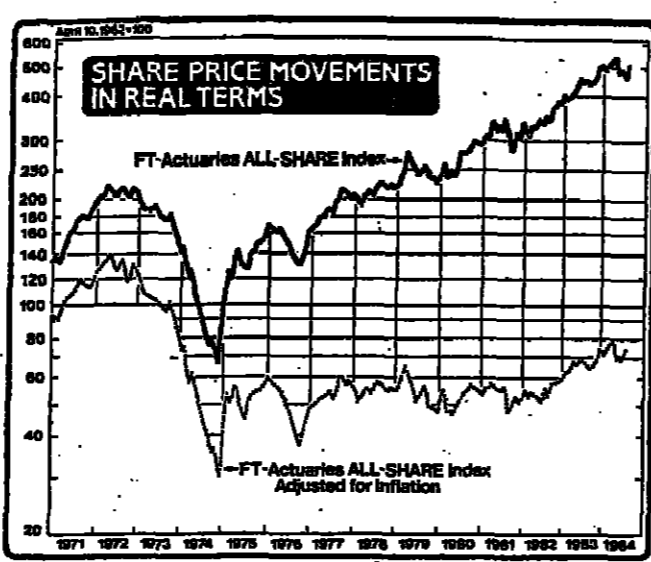
Account Dealing Dates... First Declared Last Account Dealings Dates...

Hopes of lower interest rates were fulfilled yesterday but the news found London stock markets in an unresponsive mood...

Equity traders remained wary of the UK labour situation. Business was light and the first leg of an extended account...

Life insurance firm... Life Insurance took a distinct turn for the better following a reassessment of the recently published new business figures...

The major clearing banks held up well despite the latest round of base rate cuts. NatWest, a dull counter this week following weakness in the new nil-paid shares...



absence of interest before picking up to close 2 dearer on balance at 594p. Among other chemicals, Blagden Industries attracted support ahead of Monday's interim results...

Metals Box improve... Leading miscellaneous industrial encountered selective demand. Metals Box were noteworthy for a rise of 10 to 36p...

Wholesale Fittings up... Electricals provided several good features. Wholesale Fittings stood out with a rise of 15 to 320p in response to good preliminary figures...

Australians attracted a good deal of support following Santos' 90 cents a share bid for Alliance Oil Development...

Gold and related sectors of mining markets closed the week on a firm note as the bullion price held above the \$350 level...

FINANCIAL TIMES STOCK INDICES. Table with columns for indices (Government Secs, Fixed Interest, Industrial Ord., etc.) and values for various dates.

HIGHS AND LOWS S.E. ACTIVITY. Table showing high and low values for various stock categories like Govt. Secs, Ind. Ord., and Gold Mines.

LEADERS AND LAGGERS. Table showing percentage changes since December 30, 1983, based on Thursday, August 16, 1984. Lists various sectors like Tobacco, Insurance, and Shipping.

OPTIONS. Table providing information on various options, including issue price, date, and other details.

RECENT ISSUES. Table listing recent stock issues with details on issue price, date, and other relevant information.

FIXED INTEREST STOCKS. Table listing fixed interest stocks with columns for issue price, date, and other details.

RIGHTS OFFERS. Table listing rights offers with columns for issue price, date, and other details.

FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, The Institute of Actuaries and the Faculty of Actuaries

FT-ACTUARIES SHARE INDICES. Large table with columns for Equity Groups & Sub-sections, Fri Aug 17 1984, and Highs and Lows Index. Includes sub-sections like Building Goods, Capital Materials, etc.

FIXED INTEREST. Table listing fixed interest securities with columns for price, yield, and other details. Includes sub-sections like British Government, Overseas Government, etc.

NEW HIGHS AND LOWS FOR 1984

NEW HIGHS AND LOWS FOR 1984. Table listing new high and low prices for various stocks in 1984.

RISES AND FALLS

RISES AND FALLS. Table showing the number of stocks that rose or fell in price during the week.

ACTIVE STOCKS

ACTIVE STOCKS. Table listing active stocks with columns for stock name, price, and other details.

THURSDAY'S ACTIVE STOCKS

THURSDAY'S ACTIVE STOCKS. Table listing the most active stocks on Thursday.

5-DAY ACTIVE STOCKS

5-DAY ACTIVE STOCKS. Table listing the most active stocks over a five-day period.

Handwritten note: J.P. 10/15/84

STOCK EXCHANGE DEALINGS

Details of business done shown below have been taken with consent from last Thursday's Stock Exchange Official List and should not be reproduced without permission.

STERLING ISSUES BY FOREIGN GOVERNMENTS
Austria Development Bank 10c/10c/10c 2000

FOREIGN GOVERNMENTS
Spain Kingdom of 12c/12c/10c 1988 6997

CORPORATION & COUNTY
Greater London Council 8c/10c 1992 32

COMMERCIAL INDUSTRIAL
AAH High Speed 4c/11 470

UK PUBLIC BONDS
Agricultural Mortgage Corp 4c/10c/10c 1988

COMMONWEALTH GOVT.
New Zealand Govt 1981-84 5c/10c/10c

FOREIGN STOCKS
China (coupon payable London) 191c

STERLING ISSUES BY FOREIGN GOVERNMENTS
American Brands 12c/12c/10c 2000 6234

BANKS, DISCOUNT
Bank of Ireland 7c/10c 1989-91 6873

BREWERS
Asahi Breweries 10c/10c 1987-91 6488

PROPERTY
Alliance Property 10c/10c 1987-91 6488

LAND SEC.
Land Sec. 10c/10c 1987-91 6488

MARKETS & SP.
100 18 19 24 3 4 6

SHARE TRANS.
580 138 120 128 2 6 12

CALLS PUTS
Option Oct. Jan. Apr. Oct. Jan. Apr.

CALLS PUTS
Option Aug. Nov. Feb. Aug. Nov. Feb.

CALLS PUTS
Option Sep. Dec. Mar. Sep. Dec. Mar.

CALLS PUTS
Option Aug. Nov. Feb. Aug. Nov. Feb.

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CALLS PUTS
Option Aug. Nov. Feb. Aug. Nov. Feb.

CALLS PUTS
Option Sep. Dec. Mar. Sep. Dec. Mar.

Johnson Matthey 7c/10c/10c 1990-95 674

Slattery Industries 7c/10c/10c 1986-91

TI Group 5c/10c 1989-94 561 (14/2)

Transport Development 5c/10c 1993

Wade Pottery 10c/10c 1991-95 1010

Walker & Hall 10c/10c 1991-95 1010

Widener 7c/10c 1992-97 678

Widener 7c/10c 1992-97 678

Widener 7c/10c 1992-97 678

Widener 7c/10c 1992-97 678

Widener 7c/10c 1992-97 678

Widener 7c/10c 1992-97 678

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Widener 7c/10c 1992-97 678

Widener 7c/10c 1992-97 678

Widener 7c/10c 1992-97 678

Widener 7c/10c 1992-97 678

Widener 7c/10c 1992-97 678

Communications 10c/10c 1988 6997

Unlisted Securities Market

Applications granted for special bargains in securities not listed on any exchange.

Rule 163 (2)

Rule 163 (3) (a)

Rule 163 (3) (b)

Rule 163 (3) (c)

Rule 163 (3) (d)

Rule 163 (3) (e)

Rule 163 (3) (f)

Rule 163 (3) (g)

Rule 163 (3) (h)

Rule 163 (3) (i)

Rule 163 (3) (j)

Rule 163 (3) (k)

Rule 163 (3) (l)

Rule 163 (3) (m)

Rule 163 (3) (n)

Rule 163 (3) (o)

Rule 163 (3) (p)

Rule 163 (3) (q)

Rule 163 (3) (r)

Rule 163 (3) (s)

Rule 163 (3) (t)

Rule 163 (3) (u)

Rule 163 (3) (v)

Rule 163 (3) (w)

Rule 163 (3) (x)

Rule 163 (3) (y)

Rule 163 (3) (z)

Rule 163 (3) (aa)

Advertisement for 'Perhaps the bravest man ever knew...' featuring a portrait of a man and text about a man who served in the military and is now a civilian.

MENTAL WELFARE SOCIETY

AUTHORISED UNIT TRUSTS

Trust Name	Code	Value	Change
Abney Unit Tr. Mgrs. (a)	01-236 3833	12.4	+0.1
Abney Unit Tr. Mgrs. (b)	01-236 3833	12.4	+0.1
Abney Unit Tr. Mgrs. (c)	01-236 3833	12.4	+0.1
Abney Unit Tr. Mgrs. (d)	01-236 3833	12.4	+0.1
Abney Unit Tr. Mgrs. (e)	01-236 3833	12.4	+0.1
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Abney Unit Tr. Mgrs. (z)	01-236 3833	12.4	+0.1

FT UNIT TRUST INFORMATION SERVICE

Trust Name	Code	Value	Change
Abney Unit Tr. Mgrs. (a)	01-236 3833	12.4	+0.1
Abney Unit Tr. Mgrs. (b)	01-236 3833	12.4	+0.1
Abney Unit Tr. Mgrs. (c)	01-236 3833	12.4	+0.1
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Abney Unit Tr. Mgrs. (z)	01-236 3833	12.4	+0.1

INSURANCES

Company Name	Code	Value	Change
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INSURANCE, OVERSEAS & MONEY FUNDS

Table of insurance and investment products, including National Prudential Insurance Co. Ltd. and various fund listings.

Table of insurance and investment products, including Swiss Life Insurance Co. Ltd. and various fund listings.

Table of insurance and investment products, including Swiss Life Insurance Co. Ltd. and various fund listings.

Table of insurance and investment products, including Swiss Life Insurance Co. Ltd. and various fund listings.

OFFSHORE AND OVERSEAS

Money Market Trust Funds

Money Market Bank Accounts

NOTES: Prices are in pence unless otherwise stated. Yields are shown in percent unless otherwise stated.

FT LONDON SHARE INFORMATION SERVICE

HOTELS - Continued

2 Day Management Training Programmes... Time Manager International

BRITISH FUNDS

Table of British Funds with columns for Name, Price, and % Chg.

Five to Fifteen Years

Table of funds categorized by 5 to 15 year maturity.

Over Fifteen Years

Table of funds categorized by over 15 year maturity.

Undated

Table of undated funds.

Index-Linked

Table of index-linked funds.

INT. BANK AND O'SEAS GOVT STERLING ISSUES

Table of international bank and overseas government sterling issues.

CORPORATION LOANS

Table of corporation loans.

COMMONWEALTH AND AFRICAN LOANS

Table of commonwealth and African loans.

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Table of general loans.

Public Board and Ind.

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Table of foreign bonds and rais.

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Table of American stocks.

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Table of beer and wine stocks.

BUILDING INDUSTRY, TIMBER AND ROADS

Table of building industry, timber, and roads stocks.

DRAPERY & STORES - Cont.

Table of drapery and stores stocks.

ENGINEERING - Continued

Table of engineering stocks.

INDUSTRIALS (Miscel.)

Table of miscellaneous industrial stocks.

CANADIANS

Table of Canadian stocks.

BANKS, HP & LEASING

Table of bank, HP, and leasing stocks.

CHEMICALS, PLASTICS

Table of chemical and plastic stocks.

FOOD, GROCERIES, ETC

Table of food, grocery, and other stocks.

HOTELS AND CATERERS

Table of hotel and catering stocks.

DRAPERY AND STORES

Table of drapery and stores stocks.

BEERS, WINES & SPIRITS

Table of beer, wine, and spirit stocks.

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Table of engineering stocks.

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Table of engineering stocks.

HOTELS AND CATERERS

Table of hotel and catering stocks.

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INDUSTRIALS—Continued

Table of industrial stocks including companies like British Petroleum, Shell, and ICI, with columns for stock price, price change, and other financial metrics.

LEISURE—Continued

Table of leisure-related stocks such as British Airways, British Telecom, and British Gas, including price and change data.

PROPERTY—Continued

Table of property and real estate stocks, including various trusts and development companies.

INVESTMENT TRUSTS—Cont.

Table of investment trusts offering diversified portfolios, with details on their assets and performance.

OIL AND GAS—Continued

Table of oil and gas industry stocks, including major energy producers and service companies.

MINES—Continued

Table of mining stocks, covering various mineral extraction and processing companies.

INSURANCES

Table of insurance companies, including life, fire, and general insurance providers.

MOTORS, AIRCRAFT TRADES

Table of motor vehicles and aircraft-related stocks, including manufacturers and dealers.

SHIPPING

Table of shipping and maritime industry stocks, including shipping lines and port authorities.

SHOES AND LEATHER

Table of shoe and leather goods stocks, including manufacturers and retailers.

SOUTH AFRICANS

Table of South African stocks, including companies from various sectors in that region.

TEXTILES

Table of textile industry stocks, including manufacturers and suppliers.

OVERSEAS TRADERS

Table of overseas trading companies, including importers and exporters.

PLANTATIONS

Table of plantation stocks, including companies involved in rubber, sugar, and other agricultural products.

LEISURE

Table of leisure and entertainment stocks, including media and recreation companies.

PROPERTY

Table of property and real estate stocks, including trusts and development firms.

TRUSTS, FINANCE, LAND

Table of trusts, financial institutions, and land-related stocks.

TOBACCO

Table of tobacco industry stocks, including manufacturers and distributors.

FINANCE, LAND, ETC.

Table of finance, land, and other miscellaneous stocks.

OIL AND GAS

Table of oil and gas industry stocks, including energy producers.

DIAMOND AND PLATINUM

Table of diamond and platinum mining stocks, including major producers.

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Standard Life can construct the building you want on industrial parks at Abingdon, Basingstoke, Watford

FINANCIAL TIMES

Saturday August 18 1984

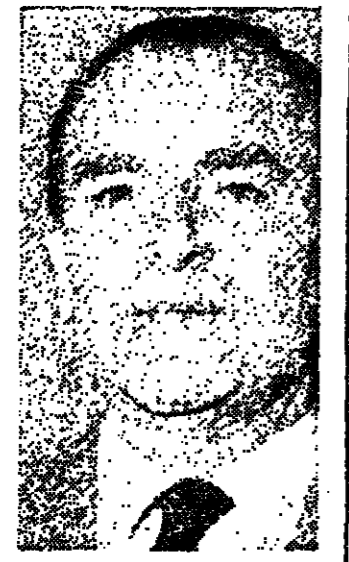
YPROPANOR for raised modular floors REST ON THE NAME OF EXPERIENCE

MAN IN THE NEWS

Sir John's bad 20 minutes

BY BRENDAN KEENAN

THE CHIEF Constables of the Royal Ulster Constabulary, Sir John Hermon, likes to recall his own days on the beat in rural Ulster between 1960 and 1971. He never carried a gun.



Sir John Hermon

Hermon has been associated with attempts to make the RUC more acceptable to the Catholic community.

He believed he was succeeding in making the force more professional and showing it could act as an impartial protector of both communities against the paramilitaries of both sides.

Yet much of his work since his appointment in 1980 was undone in 20 minutes last Sunday. Even his supporters in the Catholic community, such as Bishop Cahal Daly, have protested.

But Sir John's general attitude to politicians is one of impatience. He has added to the controversy over last weekend by clearly distancing himself from the view of Mr Patten that it was a mistake to ban Martin Galvin from entering the country.

He is unlikely now to change his view that the RUC can provide effective policing in all parts of the province and he was a staunch proponent of the policy of replacing the army with police. But that has meant SAS training for selected officers in "speed, firepower and aggression" as a police representative put it, and a return to riot duty and equipment for the force.

De Lorean acquittal no bar to 'sting'

BY NANCY DUNNE IN WASHINGTON

THE U.S. Attorney-General said yesterday that the acquittal of car-maker John De Lorean would not deter the Federal Government from using undercover "sting" operations.

In the acquittal of Mr De Lorean on drug conspiracy charges, however, it appears that the party stung is the U.S. Justice Department.

While the case seems unlikely to have an immediate impact on U.S. case-law or to deter police from working undercover, the De Lorean jury in Los Angeles sent what was seen as a clear message to Washington that government "stings" should be conducted more judiciously.

Mr De Lorean's lawyers were in effect able to put the Government on trial and to prove that it had acted improperly. To land a fish the size of Mr De Lorean one federal agent had re-written some of his investigative notes and another had backdated forms authorising some of the trial's videotapes.

The most crucial government witness was shown to be an admitted perjurer and cocaine-smuggler who had demanded \$100,000 for any assets seized in the De Lorean investigation as payment for his part in the operation.

The defence was ably assisted by the presiding judge, Mr Robert M. Takasugi. He gave the jury such specific instructions on entrapment that the defence was allowed to prevail. The judge said that in an

entrapment case the idea for the crime must come from the creative acts of government agents or informers. The defendant must have been not ready and willing to commit the crime before he was induced to do so.

The burden of proof thus fell on the Government which was unable to prove beyond reasonable doubt that it had not set out to entrap Mr De Lorean.

unless you answer some questions. "There is one particular area that still worries us very much. It is the \$17.65m that, in the words of the receiver's evidence to us, 'went walkabout'."

Mr Robert Sheldon, the Labour MP for Ashton-under-Lyne who chairs the committee, also interviewed by BBC Radio, said Mr De Lorean, through his lawyer, offered last October to appear before the committee but later withdrew the offer.

Mr Dale Campbell-Savours, Labour MP for Workington, who worked on the committee, held out little hope that it would be able to question Mr De Lorean. "It would be a delightful prospect but hardly realistic," he said.

Some reports suggested that the dockers, tugmen and boatmen were willing to handle the Ostia on Thursday, but changed their minds after pressure from the union. Mr Jim Gilligan, TGWU Scottish docks secretary, denied this.

Mr John Griffiths, QC, the inspector, found no evidence of concert parties—groups of shareholders acting in secret to gain control—at House of Fraser but said he thought Dr Marwan had a closer liaison with Lorbou, and with Mr Rowland in particular, than he had revealed.

Dr Marwan, aged 40, recently valued his personal fortune at about \$20m (£15m) but until the publication earlier this month of a Trade Department inspector's report into share dealings in House of Fraser, he was not widely known to British investors.

He disclosed that he held a 2.5 per cent stake in House of Fraser and also has investments in property, hotels and financial groups. He is a long-time business associate of Mr Roland "Tiny" Rowland, chief executive of the Lorbou trading group, which is seeking to demerge Harrods from House of Fraser.

Dr Marwan now lives in England for much of the year and has a home in Carlton House Terrace, just off Pall Mall, and offices in Piccadilly.

THE LEX COLUMN

Takeover tattle takes over

The stock market has already seen enough activity so far this August to last a few silly seasons, so few brokers will have chafed at yesterday's return to a more normal mid-summer tempo.

Yesterday's news of a further base rate cut and a drop in the annualised rate of inflation caused barely a ripple in the City, so fully had they been discounted earlier in the week.

One surprising feature of Friday's slipper market was the readiness of brokers in London to turn blind eye to rising equity and bond prices overnight on Wall Street.

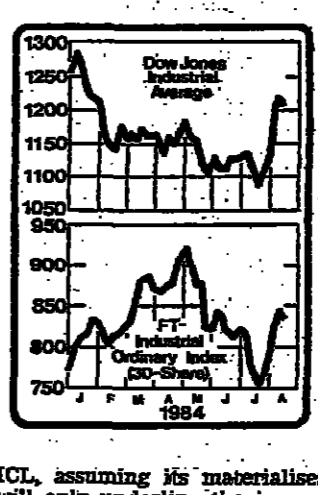
But, even if Wall Street's positive influence may for the moment have diminished in general terms, American investors are still doing their bit to keep some individual stocks bubbling along.

After a flurry of excitement in the last four months of 1983, the corporate bond market relapsed into a deep slumber. And the tax incentives in this year's Finance Act have so far done nothing to wake it up.

After insurance companies increasingly running mixed pensions and life funds, the average tax rate of the players in the UK bond markets is only around 10 per cent.

With insurance companies increasingly running mixed pensions and life funds, the average tax rate of the players in the UK bond markets is only around 10 per cent.

Index rose 4.2 to 838.3



ICL, assuming its materialises, will only underline the impression of a more open competition policy fostered by the Government.

The threat of a Monopolies Commission reference has worked to keep American bidders at bay ever since Enersch was frustrated in its quest for Davy Corporation.

The general impression left by the London markets this week is that bad news, from New York or anywhere else, will carry more weight than good.

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ITT moves to protect share stake in STC

By Alexander Nicoll in London and Paul Taylor in New York

ITT, the diversified U.S. group, yesterday took the first step to prevent the over-dilution of its holding in Standard Telephones and Cables, the UK communications group, in STC's planned takeover of computer maker ICL.

ITT again stressed that it intended to own 29.9 per cent in the merged STC-ICL group—the maximum it can hold in the combined group under British takeover rules without bidding for the remaining shares.

ITT acted quickly. Mr Newman said, because the market price was good and because it did not want its holding in STC to fall below 25 per cent at any stage, the ICL bid could have reduced its previous 35.4 per cent stake to below that level.

Although the Treasury appears relatively optimistic about the underlying trends of inflation for the rest of this year, official anxiety has been growing about the future effect of high wage settlements.

Average earnings are rising at an annual rate of 7 1/2 per cent, with rises of 9 1/2 per cent in manufacturing industry. These figures, together with yesterday's figure for the Tax and Price Index in July, suggest that the real standard of living of workers in manufacturing rose by more than 6 per cent last year.

Ravenscraig cuts use of coke

BY BRIAN GROOM, LABOUR STAFF

THE British Steel Corporation cut the rate of coke oven operations at Ravenscraig works in Scotland yesterday, as the crisis over the dockers' ban on coal imports at the Hunterston terminal on the Clyde remained unresolved.

The National Dock Labour Board will meet in London on Monday afternoon to discuss the row. BSC will not try to dock the coal vessel Ostia before then, but is reserving its option to do so afterwards.

Dr Marwan, a son-in-law of the late President Nasser of Egypt, has built up a holding of 4.3m shares—worth £8.3m at Fleet's Stock Market price yesterday—equivalent to just over 5 per cent of the newspaper group's equity.

Dr Marwan, aged 40, recently valued his personal fortune at about \$20m (£15m) but until the publication earlier this month of a Trade Department inspector's report into share dealings in House of Fraser, he was not widely known to British investors.

Dr Marwan now lives in England for much of the year and has a home in Carlton House Terrace, just off Pall Mall, and offices in Piccadilly.

ing more seriously at the liberalised tax treatment of low-coupon deep discount bonds. The new rules effectively grant both the issuer and holder of such bonds—assuming they are taxpayers—the benefit of an interest-free loan from the Inland Revenue.

The issuing company is permitted to offset the notional cost of servicing the bond against corporation tax each year during its life: although it will pay out little or nothing by way of coupons. The bond-holder, however, need pay no tax on the rolled-up interest until the redemption date—or at least until he sells.

But the chances of corporate treasurers exploiting this advantage, in the manner of their U.S. counterparts, must be remote—and not just because the rigorous, mathematical approach to bond trading is less well developed on this side of the Atlantic.

With insurance companies increasingly running mixed pensions and life funds, the average tax rate of the players in the UK bond markets is only around 10 per cent.

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Mr Shore said ICL represented 20 years of British effort to establish an independent manufacturing computer industry. "It cannot be right to allow it to be taken over by STC, a firm in which the U.S. giant ITT is the largest single shareholder, without the most searching inquiry and independent consideration of where the national interest lies," he said.

Midland Bank Interest Rates. Base Rate Reduces by 1/2% to 10 1/2% per annum with effect from 20th August 1984. Deposit Accounts Interest paid on 7 day deposit accounts reduces by 3/4% to 7 1/4% p.a. with effect from 20th August 1984. Monthly Income Deposit Account Service (MIDAS) Interest paid will be reduced from 10% to 9 1/4% p.a. with effect from 17th September 1984. Save and Borrow Accounts Interest paid on credit balances reduces to the above Deposit Account rate and interest charged on overdrawn balances remains at 19 1/2% p.a. with effect from 17th September 1984. APR 20.9%.

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